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CALENDAR

GOVERNMENT EFFICIENCY & LABOR COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

MAY 10 1996

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REGULAR MEETING

TUESDAY, MAY 14, 1996, 1:00 P.M.

VETERANS BUILDING

401 VAN NESS AVENUE, ROOM 410

MEMBERS: Supervisors Tom Ammiano, Mabel Teng, Michael Yaki

CLERK: Mary Red

* * * * *

Disability Access

Both the Committee Room (Room 410) and the Chamber (Room 404) are wheelchair accessible. The closest accessible BART Station is Civic Center, four blocks from the Veterans Building. Accessible MUNI lines serving this location are: #42 Downtown Loop and the #71 Haight/Noriega and the F Line to Market and Van Ness and the METRO stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 923-6142.



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For a large print copy of an agenda, contact Moe Vazquez at (415) 554-4909.

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Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine, and will be acted upon by a single roll call vote. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed and considered as a separate item.
 - (a) File 68-96-3. [Grant, Summer Food Service Program] Resolution authorizing the Mayor to apply for, accept and expend \$777,564 from the United States Department of Agriculture (USDA) to sponsor the Summer Food Service Program for needy children. (Mayor's Office of Children, Youth & Their Families)
 - (b) File 134-96-1. [Grant, Landmark Preservation Advisory Board] Resolution authorizing the Landmarks Preservation Advisory Board's Certified Local Government (C.L.G.) program located within the Planning Department to apply for funds from the National Historic Preservation Act Grant-in-Aid Subgrant program administered by the California State Office of Historic Preservation Funds of up to \$25,000 foregoing reimbursement of indirect costs during fiscal year July 1, 1996 to June 30, 1997. (Supervisor Ammiano)
 - (c) File 148-96-2. [Grant-State, TDA Funds-Bicycle/Pedestrian Projects] Resolution authorizing the Director of Public Works and the Executive Director of the Department of Parking and Traffic to execute documents necessary to apply for, accept and expend \$477,372 of Transportation Development Act (TDA) Article 3 Funds for bicycle and pedestrian projects and waiving indirect costs. (Department of Public Works)
 - (d) File 152-96-1. [FY 96/97 Standards & Training, Local Corrections] Resolution authorizing the Sheriff's Department, Adult Probation Department, and Juvenile Probation Department of the City and County of San Francisco to apply for, retroactively, accept and expend \$317,285 in funds from the State of California Board of Corrections for the Standards and Training of Local Corrections and Probation Officers Programs; stipulating adherence to standards for recruitment and training established by the Board of Corrections, waiving any indirect costs. (Sheriff)
 - (e) File 148-95-7.1. [State Grant, Integrated Pest Management Project] Resolution authorizing the Director of the Department of Public Works to accept a one-year, \$20,000 grant contract, renewable for up to two additional years, with the California Department of Pesticide Regulation, which requires the City to indemnify the State from claims in connection with the performance of the contract. (See File 148-95-7) (Department of Public Works)

ACTION:

REGULAR CALENDAR

2. File 65-96-2. [Final Neg Dec, Pier 38 Maritime Recreation Center] Resolution adopting Final Negative Declaration, finding and determining that the proposed Pier 38 Maritime Recreation Center (on the Embarcadero between Brannan and Townsend Streets) will have no significant impact on the environment, and adopting and incorporating findings of Final Negative Declaration; companion measure to File 65-96-2.1) (Final Negative Declaration issued on 2/2/95, as amended.) (Port Commission)
(Continued from 4/23)

ACTION:

3. File 65-96-2.1. [Lease Agreement, Pier 38 Maritime Recreation Ctr.] Ordinance approving Lease Agreement between Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. and the City and County of San Francisco operating by and through the San Francisco Port Commission for a Maritime Recreation Center at Pier 38 (on the Embarcadero between Townsend and Brannan Streets); companion measure to File 65-96-2. (Port Commission)
(Continued from 4/23)

ACTION:

4. File 65-96-6. [Lease, New Main Library, 100 Larkin Street] Ordinance authorizing and approving the lease of space in City-owned property at 100 Larkin Street, consisting of a portion of the lowest floor to Robin Boley-Alvarez and Francois Alvarez commencing April 18, 1996. (Real Estate Department)
(Continued from 4/23)

ACTION:

5. File 93-95-33.1. [Amendment to MOU, Local 856] Ordinance amending Ordinance No. 219-95 to implement the provisions of an arbitration award between the Teamsters Local 856 and the City and County of San Francisco for the period July 1, 1996 through June 30, 1998. (Department of Human Resources)

ACTION:

6. File 97-96-18. [Sexual Harassment] Ordinance amending Administrative Code Section 12B.1 and 12B.2 to prohibit discrimination and sexual harassment of city employees and members of the public. (Supervisor Bierman)

ACTION:

7. File 64-96-3. [Lease of Property at 1650 Mission Street] Resolution authorizing a lease of real property at 1650 Mission Street for the Department of Social Services. (Real Estate Department)

ACTION:

8. File 172-96-8. [Contract, DPH - University of Texas Medical Branch] Resolution authorizing the Director of Public Health to enter into a subcontract in the amount of \$10,847 with the University of Texas Medical Branch at Galveston, the primary contractor, to provide reports and information for a study of Host Lymphocyte Resistance to HIV-1, including an agreement to indemnify the University of Texas Medical Branch at Galveston. (Department of Public Health)

ACTION:

9. File 172-96-9. [Contract, DPH - University of Washington] Resolution authorizing the Director of Public Health to execute a contract in the amount of up to \$20,000 with the University of Washington to collect and submit San Francisco City and County STD/HIV prevention data, to the University of Washington for a study of the impact of health care reform on STD/HIV prevention activities, including an agreement to indemnify the University of Washington. (Department of Public Health)

ACTION:

10. File 172-96-10. [Prevailing Wage Requirements] Resolution exempting from the prevailing wage provisions of Charter Section 7.204 a contract between the City and the San Francisco Conservation Corps to provide fire hazard reduction activities for the San Francisco Water Department. (Supervisor Ammiano)

ACTION:

11. File 172-96-12. [Contract Modification, Breda Costruzioni] Resolution authorizing the Municipal Railway to modify an existing contract with Breda Costruzioni Ferroviarie S.p.A. (Also see Files 172-92-22 and 172-92-22.1). (Public Transportation Commission)

ACTION:

12. File 172-96-13. [Mutual Aid Agreement, Water Agencies] Resolution authorizing the General Manager of the Public Utilities Commission to execute an updated Mutual Aid Agreement with other water agencies in the State Office of Emergency Services Region 2. (Public Utilities Commission)

ACTION:

13. File 144-96-1. [Federal Grant, Track Rehabilitation Project] Resolution rescinding Resolution 778-93, authorizing the Executive Director of the Port of San Francisco to retroactively apply for, accept and expend \$2.4 million from the Federal Highway Administration for the Track Rehabilitation Project on the Peninsula Corridor Mainline and releasing \$700,000 of reserved funds for the purchase and installation of the Digicon Signalization System. (See Files 144-93-5 and 172-95-48). (Port)

ACTION:

14. File 51-95-4.1. [Employee Claims of L. Escobar, K. Bracy and S. Harmon] Hearing to consider claims of Lola Escobar, Kelley Bracy and Susan Harmon (San Francisco General Hospital) for reimbursement for cost of personal property damaged or stolen in the line of duty.
(Continued from 2/13/96)

ACTION:

15. File 51-96-1. [Employee Claims, Personal Property Damaged/Stolen] Hearing transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty.
January, February, March, 1996

ACTION:

16. File 172-96-15. [Food Stamp Trafficking Agreement Extension] Resolution authorizing the District Attorney, Food Stamp Task Force Division, to amend an existing agreement with the State of California Social Services, to include and extend the terms of the agreement beginning May 1, 1994 through December 31, 1996, to investigate food stamp trafficking. (See File 138-94-5) (District Attorney)
ACTION:

17. File 186-96-3. [San Francisco Affinity Phone Card Program] Resolution authorizing the Chief Administrative Officer to enter into an operating and licensing agreement with Winston Taylor for the development and operating of the San Francisco Affinity Phone Card Program and implementation thereunder. (Supervisor Bierman)

ACTION:

18. File 112-96-1. [Official Newspapers for FY 1996-97] Resolution designating the San Francisco Examiner to be official newspaper of the City and County of San Francisco for specified categories of advertising, and designating the San Francisco Independent to be the official newspaper for other specified categories of official advertising, commencing July 1, 1996. (Purchasing Department)

ACTION:

19. File 112-96-2. [Outreach Newspapers, FY 1996-97] Resolution designating the Small Business Exchange to be outreach newspaper of the City and County of San Francisco for the African-American community; designating the Chinese Times to be outreach newspaper for the City and County of San Francisco for the Chinese community; and designating the El Latino to be outreach newspaper of the City and County of San Francisco for the Hispanic community, commencing July 1, 1996, for outreach advertising. (Purchasing Department)

ACTION:

20. File 47-96-3. [Approving Portsmouth Square Parking Garage Lease Amendment] Ordinance approving a second amendment to the Portsmouth Square Public Parking lease between the City and County of San Francisco and the San Francisco Portsmouth Plaza Parking Corporation, which provides for quarterly rather than annual payments of rent, and strengthens the City's termination rights under the lease. (Companion measure to File 49-96-1)
Must be heard after closed session.

ACTION:

SPECIAL ORDER 2:00 P.M.

21. File 245-96-1. [Election of Supervisors and Related Matters] Hearing to consider proposals to reform the method of election of members of the Board of Supervisors and related matters. (Supervisor Ammiano)
(Continued from 4/9/96)

ACTION:

SPECIAL ORDER 3:30 P.M.

22. File 112-96-3. [Chronicle/Examiner Merger] Hearing to consider the impact of the proposed merger of the San Francisco Chronicle and the San Francisco Examiner. (Supervisor Ammiano)

ACTION:

LITIGATION

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

23. File 45-96-22. [Mychelle Colleary v. CCSF, et al.] Ordinance authorizing settlement of personal injury claim of Mychelle Colleary against the City and County of San Francisco and its employee Chinedu Elekwachi by payment of \$15,000, each side to bear its own costs and attorneys' fees. (Superior Court No. 969-275). (City Attorney). (Continued from 4/23)

ACTION:

24. File 46-96-7. [CCSF, v. Department of Health Services] Ordinance authorizing settlement of litigation of the City and County of San Francisco against the State Department of Health Services, for approval of Medi-Cal reimbursement claims. (Superior Court No. 962-505). (City Attorney) (Continued from 4/23)

ACTION:

25. File 48-96-12. [Settlement of Claim, Lee Kyu Park] Resolution approving the settlement of the unlitigated claim of Lee Kyu Park by payment of \$25,729.95. (City Attorney) (Continued from 4/23)

ACTION:

26. File 45-96-23. [Tina Periera v. CCSF] Ordinance authorizing settlement of litigation of Tina Periera against the City and County of San Francisco by payment of \$6,000. (Superior Court No. 961-877). (City Attorney)

ACTION:

27. File 45-96-24. [Mamaradlo v. CCSF] Ordinance authorizing settlement of litigation of Virginia Mamaradlo and Manuel Mamaradlo against the City and County of San Francisco by payment of \$90,000. (Superior Court No. 965-646). (City Attorney)

ACTION:

28. File 45-96-25. [Eubank v. CCSF, et al.] Ordinance authorizing settlement of litigation of Jerry Eubank and Charles Eubank against the City County of San Francisco by payment of \$55,000. (Superior Court No. 958-994. (City Attorney)

ACTION:

29. File 45-96-26. [U.S.A. (Davis) v. CCSF] Ordinance authorizing partial settlement of litigation of U.S.A. (Davis) v. City and County of San Francisco, by payment of \$195,875.00. (USDC, Northern District of California, Consolidated Cases Nos. C84-1100 MHP, C84-7089 MHP). (Also see File 45-95-2). (City Attorney)

ACTION:

30. File 45-96-27. [Barnes Construction Co., Inc. v. CCSF et al.] Ordinance authorizing settlement of litigation of Barnes Construction Co., Inc. against the City and County of San Francisco by payment of \$15,000. (Superior Court No. 968-676). (City Attorney)

ACTION:

31. File 45-96-28. [Joseph Nugent/Catherine Schoop v. CCSF et al.] Ordinance authorizing settlement of litigation of Joseph Nugent and Catherine Schoop against the City and County of San Francisco by payment of \$13,888.85. (Municipal Court No. 118698). (City Attorney)

ACTION:

32. File 45-96-29. [Morley Shapiro v. CCSF, et al.] Ordinance authorizing settlement of litigation of Morley Shapiro against the City and County of San Francisco by payment of \$40,000. (Superior Court No. 958-035). (City Attorney)

ACTION:

33. File 46-96-8. [CCSF v. AVP Investments, et al.] Ordinance authorizing settlement of litigation of City and County of San Francisco v. AVP Investments, et al. and the City's purchase of Assessor's Block 2336, Lot 27, for open space for \$2,340,000. (Superior Court Action No. 963-267). (City Attorney)

ACTION:

34. 49-96-1. [CCSF v. Portsmouth Plaza Parking Corporation] Resolution approving the settlement of the unlitigated claim of the City and County of San Francisco against the Portsmouth Plaza Parking Corporation in the amount of \$544,476. Companion measure to File 47-96-3. (City Attorney)

ACTION:

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the proposed settlements listed above at this time and may move not to disclose any information at this time.

GOVERNMENT EFFICIENCY & LABOR COMMITTEE
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OF SAN FRANCISCO

BOARD OF SUPERVISORS**BUDGET ANALYST**

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MAY 14 1996

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May 10, 1996

TO: Government Efficiency and Labor Committee
FROM: Budget Analyst *Recommendations for meeting of*
SUBJECT: May 14, 1996 Government Efficiency and Labor Committee Meeting

Item 1a - File 68-96-3

Department: Mayor's Office of Children, Youth, and Their Families (MOCYF)

Item: Resolution authorizing the Mayor to apply for, accept and expend \$777,564 from the United States Department of Agriculture (USDA) for the 1996 Summer Food Service Program for needy children.

Grant Amount: \$777,564

Grant Period: May 1, 1996 to May 1, 1997

Source of Funds: United States Department of Agriculture (USDA)

Project: Summer Food Service Program (SFSP)

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Description:

The proposed grant of \$777,564 is a continuation grant provided by the USDA to the Mayor's Office of Children, Youth, and Their Families (MOCYF) for the operation of the 1996 Summer Food Service Program (SFSP), from June 24, 1996 through August 23, 1996.

The Summer Food Service Program is a program that operates during the months of June through August to provide breakfasts, lunches, and snacks to San Francisco youths, 18 years of age and younger, at over 100 program sites throughout San Francisco. Such programs include summer camps, church-operated programs, Recreation and Park programs and housing project programs. The MOCYF contracts with the San Francisco Unified School District (SFUSD), which prepares the breakfasts, lunches and snacks for this program. Mr. Edmund Wong of MOCYF advises that the USDA has contracted with the City to operate the Summer Food Service Program since 1979.

Budget:

The MOCYF has provided the following budget for the Summer Food Service Program:

<u>Personnel</u>	<u>FTE</u>	
Program Coordinator (1,184 hrs. @ \$19 per hr.)	.57	\$22,496
Assistant Coordinator (704 hrs. @ \$13 per hr.)	.34	9,152
Clerical Assistant (704 hrs. @ \$8 per hr.)	.34	5,632
Program Monitors (10) (3,240 total hrs. @ \$7 per hr)	.16	<u>22,680</u>
Total Personnel	1.41	\$59,960
<u>Food Purchase and Preparation Costs</u>		
Breakfasts (\$1.10 x 23,000)		\$25,300
Lunches (\$2.06 x 253,000)		521,180
Snacks (\$0.51x 238,000)		121,380
Food Servers, 0.8 FTE, or 7,744 total hrs. x \$5.50/hr (44 part-time employees) to receive and serve meals at program sites		42,592
Garbage Bags		1,000
Soap/Sponges		<u>357</u>
Total Food Purchase and Preparation:		\$711,809*

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Office Supplies

Business Cards (13 administrative personnel as described above)	200	
Photocopying	60	
Miscellaneous Supplies (binders, pens, folders)	<u>200</u>	
Total Office Supplies:		1,000

Transportation

30 weekly Fast Passes @ \$9 each	270	
29 monthly Fast Passes @ \$35 each	<u>1,015</u>	
Total Transportation:		1,285

Telephone

4 telephones plus installation	<u>600</u>	
Total Telephone:		600

Office Space Rental

3 months x \$500/month	<u>1,500</u>	
Total Office Space Rental:		1,500**

Other

Postage	150	
Outreach	840	
Computer Rental	<u>420</u>	
Total Other:		<u>1,410</u>

TOTAL GRANT BUDGET:	<u>\$777,564</u>
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*The \$711,809 will be paid to the San Francisco Unified School District, which will purchase and prepare the food.

**Although the 1996 Summer Food Service Program only operates from June 24, 1996 to August 23, 1996 (two months), according to Mr. Wong, approximately one additional month of office space rental is needed in order to train personnel, process paperwork, and prepare and submit a performance report to the USDA.

Required Match: None

No. of Persons Served: Approximately 5,500 San Francisco youths

Indirect Costs: The USDA Summer Food Service Program grant does not allow for the provision of indirect costs.

Comments: 1. Mr. Wong advises that the MOCYF submitted an application for the proposed grant on May 1, 1996. In

BOARD OF SUPERVISORS
BUDGET ANALYST

addition, Mr. Wong advises that expenditures have been incurred against the proposed grant for the Summer Food Service Program. As such, the proposed resolution should be amended to authorize the MOCYF to retroactively apply for, accept and expend the subject grant funds.

2. As noted above, the MOCYF is contracting with the San Francisco Unified School District to provide 514,000 meals, including 23,000 breakfasts, 253,000 lunches, and 238,000 snacks to San Francisco youths for the Summer Food Service Program. Mr. Wong advises that the number of meals in each category is based on the actual number of meals which were served in each category during the operation of the 1995 Summer Food Service Program. As noted above, the San Francisco Unified School District will be paid the amount of \$711,809 allocated for Food Purchase and Preparation Costs.

3. Attached is a copy of the Grant Application Information Form, as provided by the MOCYF.

4. A copy of the Disabilities Access Checklist is on file with the Clerk of the Board.

- Recommendations:**
1. Amend the proposed resolution to provide for retroactive approval to apply for, accept and expend the proposed grant funds.
 2. Approve the proposed resolution, as amended.

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Mayor's Office of Children, Youth & Their Families

Contact Person: Edmund Wong Telephone: 554-8990

Project Title: Summer Food Service Program

Grant Source: United States Department of Agriculture (USDA)

Proposed (New / Continuation) Grant Project Summary:

The Summer Food Service Program (SFSP) is a seasonal program that operates in the summer months of June through August. Subcontracted by the United States Department of Agriculture (USDA), the SFSP services youth 18 years of age and under in the city of San Francisco. Youths are served a lunch and/or snack, and this year we are offering breakfast as well, at service sites throughout San Francisco. Sites include summer camps, summer youth programs, church-operated, S.F. Recreation and Park, and housing project programs. The 1996 Summer Food Service Program will operate from June 24 to August 23.

Amount of Grant Funding Applied for: \$777,564

Maximum Funding Amount Available: \$950,000

Required Matching Funds: NONE

Number of Positions Created and Funded: 57

Amount to be Spent on Contractual Services: \$667,860

Will Contractual Services be put out to Bid? NO

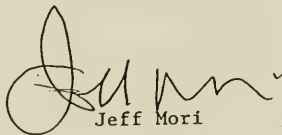
Term of Grant: One Year

Date Department Notified of Available funds: March 1, 1996

Application Due Date: May 1, 1996

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

See Attachment


Jeff Mori

Department Head Approval

Item 1b - File 134-96-1

Department: City Planning

Item: Resolution authorizing the Landmarks Preservation Advisory Board's Certified Local Government (CLG) Program, a division of the Planning Department, to apply for funds from the National Historic Preservation Act Grant-in-Aid Subgrant Program administered by the California State Office of Historic Preservation of up to \$25,000 foregoing reimbursement of indirect costs during fiscal year July 1, 1996 to June 30, 1997.

Grant Amount: \$23,220

Grant Period: October 1, 1996 through September 30, 1997

Source of Funds: California State Office of Historic Preservation (SOHP) Subgrant Funds derived from the National Historic Preservation Act

Description: The State Office of Historic Preservation under its CLG Program, which was established by Federal Law, encourages the preservation of significant cultural resources by awarding matching grant funds to local government, thereby creating a working partnership between local governments, the State of California, and Federal historic preservation programs. The CLG Program allows for direct local government in State Office of Historic Preservation activities. One of this year's funding priorities of the SOHP strongly emphasizes the importance of preservation planning at the local level. By encouraging CLG's to identify significant goals and objectives will ultimately enhance San Francisco's unique preservation needs and outlines a long range program for meeting those goals and objectives.

Mr. Vincent Marsh of the Planning Department states that a total of \$20,310 of the \$23,220 of the CLG grant would be used to partially offset the Planning Department's staffing costs and supplies and material costs to (1) undertake environmental review of the Preservation Element of the Master Plan of the City and County of San Francisco and to publish a Draft for Citizen Review of the Preservation Element (\$16,248) and (2) undertake environmental review and finalize Revisions to Article 10 (an entirely new preservation ordinance of the Planning Code), which seeks to replace the existing technically outdated 30 year old Article 10 (\$4,062). The balance of this grant of \$2,910 (\$23,220 less \$20,310) would be used to send a total of four individuals,

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
 May 14, 1996 Government Efficiency and Labor Committee Meeting

including two Landmarks Board Staff Members and two Landmarks Board Commissioners, for preservation training at the California Preservation Foundation (CPF) Annual Conference in Pasadena, CA in May of 1997. Mr. Marsh reports that the estimated cost of the completion of the Preservation Element, Revisions to Article 10 and the CPF Annual Conference will total to \$52,860. The funding sources include \$23,220 in proposed CLG funds and \$29,640 from the Planning Department (\$27,140) and the City Attorney's Office (\$2,500), to be included in their FY 1996-97 budgets.

According to Mr. Marsh, if the grant request is funded, the State Office of Historic Preservation would require the target date for completion of the Preservation Element of the Master Plan and Revisions to Article 10 by September 30, 1997.

Budget: The budget details for the proposed grant projects are as follows:

Preservation Element and Article 10

Secretary (100 hrs. @ \$30/per hr.)	\$3,000	
(Fringe - \$3,000 @ 40%)*	1,200	
Clerical Staff (75 hrs. @ \$16/per hr.)	1,200	
(Fringe - \$1,200 @ \$ 40%)*	480	
Planner IV (Environmental Review)		
(30 hrs. @ \$40/per hr.)	1,200	
(Fringe - \$1,200 @ \$ 40%)*	480	
Graphics Planner (150 hrs. @ \$25/per hr.)	3,750	
(Fringe - \$3,750 @ 40%)*	1,500	
Supplies and Materials	2,500	
Printing (1,000 copies @ \$5 each)	<u>5,000</u>	
Total		\$20,310

*Includes overhead

CPF Annual Conference

Registration (4 persons @ \$120/each)	\$480	
Meals and incidentals		
(4 persons @ \$37/each x 3 days)	444	
RT airfare (\$150/per ticket x 4)	600	
One Car rental (\$70/day x 3 days)	210	
Gas (\$.24/per mile x 100 miles)	24	
Lodging (3 nights @ \$96/each x 4)	<u>1,152</u>	
Total		<u>2,910</u>

Total CLG Grant Request **\$23,220**

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

- Required Match:** \$29,640. In-kind match to be included in the City Attorney's Office's and Planning Department's FY 1996-97 budget.
- Indirect Costs:** None. The CLG Grant Program requests that indirect costs not be included in the grant applications.
- Comments:**
1. The Grant Application Information Form, as prepared by the Planning Department, is attached.
 2. A Disability Access Checklist, as prepared by the Planning Department, is in the Clerk of the Board's file.
- Recommendation:** Approve the proposed resolution.

GRANT APPLICATION INFORMATION FORM

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: The Planning Department, SF Landmarks Board, Certified Local Government Program

Contact Person: Vincent Marsh Telephone: 558-6345

Project Title: Preservation Element of Master Plan and Revisions to Article 10

Grant Source: Historic Preservation Grant-in-Aid Subgrant Program Administered by the State Office of Historic Preservation

Proposed (New/Continuation) Grant Project Summary: The Historic Preservation Grant-in-Aid Funds will permit the San Francisco Landmarks Board program to complete a long anticipated Preservation Element of the Master (General Plan) after July 1, 1996. The adoption of this Preservation Element to the Master Plan has been delayed for years due to lack of funding and other work program priorities of the San Francisco Planning Department. Additionally, funding will allow for the completion of Revisions to Article 10 of the Planning Code, a state of the art (model ordinance) which would supersede existing Article 10 which is now nearly thirty (30) years old and technically outdated. Finally, funding would permit Department staff to complete environmental review and final graphics, design and layout on the above referenced documents.

The final request of San Francisco's Certified Local Government Landmarks program seeks funding for two staff and two members of the Landmarks Board to attend the Annual Conference of the California Preservation Foundation in Southern California in the Spring of 1997. The Planning Department does not have a budget for professional development of staff or commissioners and all attendance at educational seminars/workshops and conferences is an independent activity of staff and commissioners. Funding of \$2,910 would allow for the first time attendance of Landmarks Board staff and commissioners as a group at the Annual Meeting of the California Preservation Foundation in Pasadena, CA in May of 1997 as promulgated by the CLG Grant Application Criterion No. 13.

Amount of Grant Funding Applied for:	\$23,220
Maximum Funding Amount Available:	\$23,220
Required Matching Funds:	\$29,640 (6,420 excess match)
Number of Positions Created and Funded:	- 0 -
Amount to be Spent on Contractual Services:	- 0 -
Will Contractual Services be put out to Bid?	No

VFM:Forms:mj:Graappln.For

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Item 1c - File 148-96-2

Department: Department of Public Works (DPW)
Department of Parking and Traffic (DPT)

Item: Resolution authorizing the Director of Public Works and the Executive Director of the Department of Parking and Traffic to execute documents necessary to apply for, accept and expend \$477,372 of Transportation Development Act (TDA) Article 3 Funds for bicycle and pedestrian projects and waiving indirect costs.

Grant Amount: \$477,372

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: State Transportation Development Act (TDA) Article 3 Funds

Project: Various Bicycle and Pedestrian Projects

Description: Transportation Development Act (TDA) Article 3 is a State Grant Program which provides funds for bicycle and pedestrian projects. The proposed total grant of \$477,372 will be allocated to the Department of Public Works (DPW) and the Department of Parking and Traffic (DPT), with each department receiving 50 percent or \$238,686.

DPW plans to implement two projects at a total estimated cost of \$238,686. These two projects involve (1) constructing curb ramps at various locations in the City to improve access for persons with disabilities at an estimated total cost of \$200,000 and (2) repairing a metal hand railing on the Portola Drive overcrossing between Kensington Way and Miraloma Drive at an estimated cost of \$38,686.

DPT plans to implement thirteen projects at a total estimated cost of \$238,686. These projects include the installation of "talking traffic signals" to aid the visually impaired, designing, striping, and providing signs for bikeways at various locations, and replacing catch basin drain grates.

Budget DPW:

Curb Ramp Construction Project at 200 Locations

This project would involve the construction of curb ramps at approximately 200 locations in order to improve access for persons with disabilities. The funds would be expended as follows:

Engineering and Construction Management

DPW - Bureau of Engineering

Senior Street Inspector (103 hrs. @ \$61.73/per hour)	\$6,358	
Sr. Clerk Typist (130 hrs. @ \$32.75/per hour)	4,258	
Civil Engineering Assoc. II (189 hrs. @ \$52.55/per hour)	9,932	
Civil Engineering Assoc. I (219 hrs. @ \$45.39/per hour)	9,940	
Engineering Trainee II (430 hrs. @ \$32.10/per hour)	<u>13,803</u>	
Subtotal		\$44,291

Construction - DPW Bureau of Building Repair

Cement Supv I (295 hrs. @ \$58.11/per hour)	\$17,142	
Cement Mason (1,000 hrs. @ \$43.78/per hour)	43,780	
General Labor Supv I (632 hrs. @ \$39.39/per hour)	24,895	
General Laborers (1,000 hrs. @ \$36.14/per hour)	36,140	
Truck Driver (336 hrs. @ \$46.89/per hour)	<u>15,755</u>	
Subtotal		137,712

Materials and Supplies 17,997

Total **\$200,000**

Metal Hand Railing Repair

This project would consist of repairing a 300 foot metal hand railing on the Portola Drive overcrossing between Kensington Way and Miraloma Drive. The funds would be expended as follows:

Construction - DPW Bureau of Building Repair

Cement Masons (244 hrs. @ \$43.78/per hour)	\$10,683	
General Laborers (124 hrs. @ \$36.14/per hour)	4,481	
Sheet Metal Workers (280 hrs. @ \$57.85/per hour)	<u>16,198</u>	
Subtotal		\$31,362

Materials and Supplies 7,324

Total **\$38,686**

Total DPW Projects **\$238,686**

Budget DPT:

Project (1) Rubberize Railroad Track Crossing

This project would rubberize two railroad track crossings on 16th Street and Mississippi Street. The total project cost is \$200,000. The funding sources include the proposed TDA funds in the amount of \$20,000 and \$180,000 in Federal Intermodal Surface Transportation Efficiency Act - Hazard Elimination Safety (ISTEA-HES) funds. The proposed TDA funds would be expended as follows:

Construction Contact	<u>\$20,000</u>	
Total		\$20,000

Project (2) Replace Catch Basin Drain Grates

This project would replace approximately 1,000 catch basin drain grates at various locations in the City that have slots parallel to the direction of travel with new bicycle-safe drain grates. The total project cost is \$400,000. The funding sources include the proposed TDA funds in the amount of \$40,000 and \$360,000 in ISTEA-HES funds. The proposed TDA funds would be expended as follows:

Material (1,000 new drain grates @ \$40/each)	<u>\$40,000</u>	
Total		\$40,000

Project (3) Provide Bicycle Safety/Education

This project would prepare, print, and distribute bicycle safety brochures and a San Francisco bicycle route map with bicycle safety information. The proposed funds would be expended as follows:

Staff member from Hetch Hetchy (.20 FTE)	\$10,000	
DPT Transit Planner III (.18 FTE)	8,868	
Material and Printing (100,000 copies x \$.05)	<u>5,000</u>	
Total		\$23,868

Project (4) Provide Bicycle Parking

This project would provide secure bicycle parking facilities in City-owned and leased buildings such as the Veterans Building, 875 Stevenson Street, 850 Bryant Street, and 2323 Cesar Chavez Street. The funds would be expended as follows:

DPT Sign Installer (.06 FTE)	\$3,000	
DPT Transit Planner III (.02 FTE)	1,050	
Material (17 bicycle racks x \$350/each)	<u>5,950</u>	
Total		\$10,000

Project (5) Provide Bicycle Learning Area

This project would provide a safe bicycle learning area in Golden Gate Park on a portion of Middle Drive, primarily designed for children. This area is approximately 500 feet long and 40 feet wide and will be permanently closed to vehicular traffic. These funds will cover slurry coating to provide a smooth surface and install bollards (posts) and signage. The funds would be expended as follows:

DPW Street Repair (.08 FTE)	\$8,000	
Material (2 signs x \$100/each)	200	
Material (4 bollards (posts) x \$700/each)	<u>2,800</u>	
Total		\$11,000

Project (6) Establish Class I Bikeways

This project would design Class I bikeways (off-street bicycle paths) or improvements to existing Class I Bikeways at various locations in the City such as adjacent to Marina Boulevard, O'Shaughnessy Boulevard, and Cesar Chavez Street. The funds would be expended as follows:

DPT Transit Planner III (.1 FTE)	\$5,000	
DPW Landscape Architect (.4 FTE)	<u>20,000</u>	
Total		\$25,000

Project (7) Stripe Class II Bikeways

This project would stripe Class II bikeways (striped bike lane on the street) at various locations in the City such as Folsom Street, Webster Street, and Townsend Street. The total project cost is \$145,000. The funding sources include the proposed TDA funds in the amount of \$25,000 and \$120,000 in AB434 Regional Fund - Bay Area Air Quality Management District (BAAQMD) funds. The TDA funds would be expended as follows:

DPT Transit Planner III (.04 FTE)	\$2,000	
DPT Painter (.4 FTE)	<u>23,000</u>	
Total		\$25,000

Project (8) Sign Class III Bikeways

This project would involve the installation of bicycle route signs for Class III bikeways (a bike route but not an exclusive bike lane) at various locations in the City as specified in the San Francisco Transportation Element of the General Plan. The total project cost is \$110,000. The funding sources include the proposed TDA funds in the amount of \$25,000 and \$85,000 from the State's Proposition 116 Fund.

The TDA funds would be expended as follows:

DPT Transit Planner III (.04 FTE)	\$2,000	
DPT Sign Installer (.43 FTE)	<u>23,000</u>	
Total		\$25,000

Project (9) Lane Elimination Study

This project would continue feasibility studies for restriping and signal changes on certain streets as specified in the San Francisco Bicycle Plan to eliminate a vehicle travel lane and replace it with a bicycle lane. Lanes would only be eliminated on streets that would not experience unacceptable congestion as a result of the restriping. The funds would be expended as follows:

DPT Transit Planner III (.08 FTE)	\$4,000	
DPT Assistant Traffic Engineer (.43 FTE)	<u>30,000</u>	
Total		\$34,000

Project (10) Paint Traffic Signal Loop Detector Logos

This project would paint traffic signal loop detector bicycle logos at various intersections throughout the City. The funds would be expended as follows:

DPT Painter (.08 FTE)	<u>\$4,500</u>	
Total		\$4,500

Project (11) Install "Share the Road" Signs

This project would install "Share the Road" signs at various locations on the San Francisco Bicycle Route Network. These signs will remind both cyclists and motor vehicles to safely share the road. The funds would be expended as follows:

DPT Sign Installer (.08 FTE)	\$4,000	
Material (100 signs x \$40/each)	<u>4,000</u>	
Total		\$8,000

Project (12) Traffic Calming Techniques Study

This project would conduct feasibility studies of traffic calming techniques (such as street closures to motor vehicles, speed humps, and traffic circles) at various locations throughout the City as specified in the San Francisco Bicycle Plan. The funds would be expended as follows:

DPT Transit Planner III (.08 FTE)	\$4,000	
DPT Assistant Traffic Engineer (.05 FTE)	<u>3,318</u>	
Total		\$7,318

BOARD OF SUPERVISORS
BUDGET ANALYST

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Parking and Traffic

Contact Person: Peter Tannen Telephone: 554-2396

Project Title: Various Bicycle and Pedetrian Projects

Grant Source: TDA Article 3

Proposed (New / Continuation) Grant Project Summary:

The Transportation Development Act (TDA), Article 3 provides for the disbursement of funds in the nine-county Metropolitan Transportation Commission (MTC) Region for bicycle and pedestrian purposes. This grant is requested to: rubberize two of the CalTrain railroad track crossings at 16th Street; replace catch basin drain grates that have slots parallel to the direction of travel with new bicycle-safe drain grates; prepare print, and distribute bicyclé safety brochures and a route map with bicycle safety information; to partially fund a bicycle safety and education component of the existing Conservation Connection Educational Program; provide secure bicycle parking facilities in City-owned and leased buildings; provide a safe bicycle learning area in Golden Gate Park; design Class I bikeways in various locations; stripe Class II bikeways in various locations; sign Class III bikeways in various locations; continue feasibility studies for restriping and signal changes on certain streets to eliminate a travel lane to provide bike lanes; paint additional traffic signal loop detector bicycle logos at various intersections; purchase and install "share the road" signs for various locations on the San Francisco Bicycle Route Network; conduct feasibility studies of traffic calming techniques; and to purchase and install "talking signs" or "talking traffic signals" on Grove Street between the Civic Center BART/MUNI Station, the new Mail Library, and the Lighthouse for the Blind on Van Ness Avenue and Grove Street to aid visually impaired pedestrians.

Amount of Grant Funding Applied for: \$238,686 (DPT Portion)

Maximum Funding Amount Available: \$238,686

Required Matching Funds: -0-

Number of Positions Created and Funded: -0-

Amount to be Spent on Contractual Services: -0-

Will Contractual Services be put out to Bid? No

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Item 1d - File 152-96-1

Department: Sheriff
Adult Probation
Juvenile Probation

Item: Resolution authorizing the Sheriff's Department, Adult Probation Department and Juvenile Probation Department to apply for, retroactively, accept and expend \$317,285 in funds from the State of California Board of Corrections for the Standards and Training of Local Corrections and Probation Officers Programs; Stipulating adherence to standards for recruitment and training established by the State Board of Corrections, waiving any indirect costs.

Grant Amount:	Sheriff	\$214,520
	Adult Probation	32,860
	Juvenile Probation	<u>69,905</u>
	Total Grant Amount:	<u>\$317,285</u>

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: State of California Board of Corrections

Project: Standards and Training of Local Corrections and Probation Officers Programs for FY 1996-97

Description: The proposed grant application by the Sheriff's Department, Adult Probation Department and the Juvenile Probation Department to the State Board of Corrections is a request for funding of State-certified training for Deputy Sheriffs and Probation Officers. This will be the 16th year that San Francisco has participated in this State-wide training program, which is being carried out under SB 924.

The purpose of SB 924 is to improve and standardize the skills of employees in the Sheriff's Department, the Adult Probation Department and the Juvenile Probation Department, from entry-level personnel to department heads. SB 924 authorized the State Board of Corrections to establish minimum standards for the training of department personnel (including administrators and managerial staff) and to certify the training courses to be taken by personnel participating in this program.

The proposed program would train a total of 959 personnel during FY 1996-97. Total training hours would be 47,319. and would range from 24 hours per year for update training of experienced personnel to 200 hours per year of training for

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BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

new personnel. All training costs are paid for by the SB 924 State subvention, including travel, per diem, tuition, trainers' fees, books and course supplies, and the cost of replacing staff while they are in training. (The County does not, however, receive either indirect costs or administrative costs for the program.)

Budget:

<u>Dept.</u>	<u>No. of Positions</u>	<u>Hours</u>	<u>Tuition</u>	<u>Travel</u>	<u>Per Diem</u>	<u>Replacement (Overtime Pay)</u>	<u>Total</u>
Sheriff	644	32,037	\$19,000	\$16,620	\$70,180	\$108,720	\$214,520
Adult Probation	100	5,608	20,898	8,052	3,910	0	32,860
Juvenile Probation	<u>215</u>	<u>9,674</u>	<u>38,905</u>	<u>6,295</u>	<u>9,305</u>	<u>15,400</u>	<u>69,905</u>
Grand Total	959	47,319	\$78,803	\$30,967	\$83,395	\$124,120	\$317,285

Required Match: None

Indirect Costs: Indirect and administrative costs are not allowed under this grant program.

Comments:

1. According to Sgt. Imelda Johnson of the Sheriff's Department, the Sheriff's Department, the Adult Probation Department and the Juvenile Probation Department have not yet filed the grant application for this program. As such the Title and Body of the proposed resolution should be amended to remove reference to retroactive approval to apply for the subject grant funds. Ms. Johnson advises that the grant application will be submitted to the State of California Board of Corrections, pending approval of the proposed resolution by the Board of Supervisors.

2. Copies of the Grant Application Information Forms, prepared by the Sheriff's Department, the Adult Probation Department and the Juvenile Probation Department for each of their respective training programs, are attached to this report.

3. A Disability Access Checklist for each of these training programs is on file with the Clerk of the Board.

Recommendations:

1. Amend the Title and Body of the proposed resolution to remove reference to retroactive approval to apply for the subject grant funds.

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Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

2. Approve the proposed resolution as amended.

BOARD OF SUPERVISORS
BUDGET ANALYST

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: SAN FRANCISCO SHERIFF'S DEPARTMENT

Contact Person: SERGEANT IMELDA JOHNSON Telephone: 553-9600

Project Title: STANDARDS AND TRAINING FOR CORRECTIONS

Grant Source: STATE OF CALIFORNIA BOARD OF CORRECTIONS

Proposed (New / Continuation) Grant Project Summary:

AN APPLICATION TO THE STATE BOARD OF CORRECTIONS FOR FUNDING OF STATE-CERTIFIED TRAINING FOR LOCAL CORRECTIONS OFFICERS. THE TRAINING IS TO BE CARRIED OUT UNDER THE SB 924 SUBVENTION FOR THE BENEFIT OF PERSONNEL IN THE SHERIFF'S DEPARTMENT. THIS WILL BE THE SIXTEENTH YEAR OF PARTICIPATION IN THE STATEWIDE TRAINING SUBVENTION. THE PROPOSED PROGRAM WOULD TRAIN A TOTAL OF 640 PERSONNEL DURING THE 1996/97 FISCAL YEAR. TOTAL TRAINING HOURS WOULD BE 32,037 AND WOULD RANGE FROM 24 HOURS PER YEAR FOR UPDATE TRAINING OF EXPERIENCED PERSONNEL TO 200 HOURS OF TRAINING FOR NEW PERSONNEL. TRAINING COSTS ARE PAID BY THIS SUBVENTION AND NO MATCHING FUNDS ARE REQUIRED

Amount of Grant Funding Applied for: \$214,520.00

Maximum Funding Amount Available: \$214,520.00

Required Matching Funds: N/A

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: 0

Will Contractual Services be put out to Bid? NO

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

The Board of Supervisors
Attn: Clerk of the Board

Following describes the grant referred to in the accompanying resolution:

Grant: San Francisco Adult Probation Department

Contact Person: Training Coordinator Gail Goldman Telephone: (415) 533-1433

Grant Title: Standards & Training for Local Corrections

Source: Officers Program - State of California Board of Corrections

Is this (New / Continuation) Grant Project Summary:

An application to the State Board of Corrections for funding of state-certified training for local corrections officers. The training is to be carried out under the SB 924 subvention for the benefit of personnel in the Adult Probation Department. This will be the sixteenth year of participation in the statewide training subvention. The proposed program would train a total of 100 personnel during the 1996/97 fiscal year. Total training hours would be 5608 and would range from 40 hours per year for update training of experienced personnel to 200 hours of training for new personnel. Training costs are paid by this subvention and no matching funds are required.

Amount of Grant Funding Applied for: \$ 32,860.00

Amount of Funding Available: \$ 32,860.00

Amount of Matching Funds: N/A

Number of Positions Created and Filled: 0

Amount to be Spent on Contractual Services: 0

Should Contractual Services be put out to Bid? No

File Number _____

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying
resolution:

Department: San Francisco Juvenile Probation

Contact Person: Carol Salicru Telephone: (415) 753-7676

Project Title: Standards and Training for Corrections - 7715

Grant Source: State of California Board of Corrections

Proposed (New / Continuation) Grant Project Summary:

An application to the State Board of Corrections for funding of state-certified training for local corrections officers. The training is to be carried out under the SB 924 subvention for the benefit of personnel in the Juvenile Probation Department. This will be the sixteenth year of participation in the statewide training subvention. The proposed program would train a total of 215 personnel during the 1996-97 fiscal year. Total training hours would be 9,674 and would range from 24 hours per year for update training of experienced personnel to 200 hours of training for new personnel. Training costs are paid by this subvention and no matching funds are required.

Amount of Grant Funding Applied for: \$ 69,905.00

Maximum Funding Amount Available: \$ 69,905.00

Required Matching Funds: N/A

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: 0

Will Contractual Services be put out to Bid? No

Item 1e - File 148-95-7.1

Department: Department of Public Works (DPW)

Item: Resolution authorizing the Director of the Department of Public Works to accept and expend a one-year, \$20,000 grant contract, renewable for up to two additional years, with the California Department of Pesticide Regulation, which requires the City to indemnify the State from claims in connection with the performance of the contract.

Grant Amount: \$20,000

Grant Period: July 1, 1996 to June 30, 1997

Source of Funds: State Department of Pesticide Regulation

Project: Green Gardening Educator Training Program

Description: In January of 1996, the Board of Supervisors approved legislation authorizing the DPW to apply for, accept and expend \$20,000 in new grant funds from the State of California Department of Pesticide Regulation to expand the existing Green Gardening Educator Training Program for the period from July 1, 1996 through June 30, 1997 (File 148-95-7).

The Green Gardening Educator Training Program (GGETP), which began in July of 1995, was developed by the DPW, Water Pollution Prevention Program and San Francisco League of Urban Gardeners (SLUG) to reduce and minimize the discharge of pesticides containing toxic pollutants to the City's combined sewerage system by training individuals to demonstrate new pest management practices and gardening at various community gardening projects in San Francisco.

Subsequent to the approval by the Board of Supervisors to apply for, accept and expend the subject grant funds, the DPW received a final copy of the State Department of Pesticide Regulation's grant contract which contained two additional items beyond those which were previously approved by the Board of Supervisors. These two additional items are: (1) a provision requiring the City to indemnify the State of California from all claims or losses resulting from the performance of the grant contract; and (2) authorization for the State Department of Pesticide Regulation to renew the grant funds for the Green Gardening Educator Training Program for up to two additional years if the DPW meets the

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performance requirements of the State Department of Pesticide Regulation.

Therefore, approval of the proposed resolution would authorize the DPW to (1) sign the final grant contract with the State Department of Pesticide Regulation to accept and expend \$20,000 for the Green Gardening Educator Training Program, (2) indemnify the State from all claims or losses resulting from the performance of the grant contract, and (3) authorize the State Department of Pesticide Regulation to renew the grant for up to two additional years, if the City meets the performance requirements of the State Department of Pesticide Regulation.

Comments:

1. In summary, the proposed resolution is being returned to the Board of Supervisors at this time because of the following items, which were not included in the original legislation:

- Indemnification of the State from all claims or losses resulting from the performance of the grant contract.
- Authorization for the State Department of Pesticide Regulation to renew the grant for two additional years, if the City meets the performance requirements of the State Department of Pesticide Regulation.

2. Attachment I, provided by the DPW, is the FY 1996-97 budget for the Green Gardening Educator Training Program, which was previously approved by the Board of Supervisors. The total budget of \$40,000 includes the following funding sources: (1) \$20,000 in grant funds, (2) \$15,000 from DPW, and (3) \$5,000 in private donations. Ms. Paula Kehoe of the DPW advises that the amount of \$15,000 to be provided by DPW is included in DPW's FY 1996-97 annual budget request.

3. According to Ms. Kehoe, the Green Gardening Educator Training Program budgets for FY 1997-98 and FY 1998-99 are also expected to be \$40,000 annually. Attachment II, provided by the DPW, is the budgets for the GGETP in FY 1997-98 and FY 1998-99. According to Ms. Kehoe, the annual budgets are expected to be paid from the following sources: (1) \$20,000 in grant funds from the State Department of Pesticide Regulation, (2) \$15,000 from DPW's Public Education Budget, to be included in the DPW's annual budget requests, and (3) \$5,000 in private donations to be provided by SLUG. Ms. Kehoe advises that if the DPW's funding requests are not approved in future years through

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the annual budget process, the DPW would seek alternative funding sources for the GGETP.

5. Mr. George Wong of the City Attorney's Office advises that the proposed indemnification provision would involve minimal risk to the City, and that it is reasonable for the City to indemnify the State for the purposes of the subject grant.

6. Attachment III is a grant summary, as prepared by the DPW, for the proposed grant funds.

7. The DPW has prepared a Disability Access Checklist for the proposed grant program, which is on file with the Clerk of the boards Office.

8. The body of the proposed resolution states that the State Department of Pesticide Regulation would be authorized to renew the funding of \$20,000 per year to the DPW, for up to three years. However, this language should be amended to state for up to two years.

- Recommendations:**
1. Amend the body of the proposed resolution to state for up to two years, instead of for up to three years.
 2. Approve the proposed resolution as amended, except that we consider indemnification provisions to be policy matters for the Board of Supervisors.

Date: 12/12/95

To: Sandy Brown-Richardson - Budget Analyst Office

From: Paula Kehoe - DPW, Bureau of Environmental Regulation and Management



San Francisco GGETP Budget - FY 1996-1997

Operating Expenses*

Materials and Supplies	\$5,010
Curriculum Workbooks	1,240
Consultant Services	1,750
Administrative Overhead	3,000
Volunteer Stipends	<u>9,000</u>
Subtotal	\$20,000

Contractual Services (SLUG)

Executive Director (.02 FTE)	\$1,000
Education Director (.20 FTE)	6,800
GGETP Assistant (.30 FTE)	8,750
Fringe Benefits	2,873
Materials and Supplies	<u>577</u>
Subtotal	\$20,000

Total	\$40,000
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* Operating expenses totaling \$20,000 to be paid for by Sewer Service Charge funds, in the amount of \$15,000, to be included in the Department of Public Work's requested budget for FY 1996- 1997, and by private donations, in the amount of \$5,000, from SLUG.

San Francisco GGETP

SF GGETP Budget, FY 1997-98

	Budget
Executive Director (2 %)	\$1,000
Education Director (10%)	\$3,500
GGETP Coordinator (50%)	\$12,500
Fringe Benefits-all salaries (15-20%)	\$2,775
Supplies: tools, plants, amendments...	\$5,235
Information/Outreach: curriculum workbooks	\$1,240
Contractual: development consultant & honorari	\$1,750
Other: scholarships (min 5 interns)	\$9,000
Indirect Expenses	\$3,000
TOTAL—All Expenses	\$40,000
Amount Requested from EPA DPR	<u>\$20,000</u>
Matching funds from SFDPW	<u>\$15,000</u>
Matching funds from SLUG Donors	\$5,000

SF GGETP Budget, FY 1998-99

	Budget
Executive Director (2 %)	\$1,000
Education Director (10%)	\$3,500
GGETP Coordinator (50%)	\$12,500
Fringe Benefits-all salaries (15-20%)	\$2,775
Supplies: tools, plants, amendments...	\$5,235
Information/Outreach: curriculum workbooks	\$1,240
Contractual: development consultant & honorari	\$1,750
Other: scholarships (min 5 interns)	\$9,000
Indirect Expenses	\$3,000
TOTAL—All Expenses	\$40,000
Amount Requested from EPA DPR	<u>\$20,000</u>
Matching funds from SFDPW	<u>\$15,000</u>
Matching funds from SLUG Donors	\$5,000

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Department of Public Works, Bureau of Environmental Regulation and Management

Contact Person: Steven Medbery Telephone: 695-7310

Project Title: Innovations in Pest Management Grant

Grant Source: State of California Department of Pesticide Regulation

Proposed (New / Continuation) Grant Project Summary:

This project will teach San Francisco citizens to learn ecological gardening techniques to reduce the use of chemical pesticides/fertilizers and to prevent the improper disposal of chemical pesticides/fertilizers to the sanitary sewerage system and solid waste landfills.

Amount of Grant Funding Applied for: \$ 20,000.00

Maximum Funding Amount Available: _____

Required Matching Funds: -0-

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: *

Will Contractual Services be put out to Bid? _____

*Department intends to award grant funding in the amount of \$20,000.

Items 2 and 3 - Files 65-96-2 and 65-96-2.1

Note: These items were continued by the Government Efficiency and Labor Committee at its meeting of April 23, 1996.

Department: Port Commission

Items: Item 2 - File 65-96-2 is a resolution adopting the Final Negative Declaration, finding and determining that the proposed Pier 38 Maritime Recreation Center (on the Embarcadero between Brannan and Townsend Streets) will have no significant impact on the environment, and adopting and incorporating findings of Final Negative Declaration.

Item 3 - File 65-96-2.1 is an ordinance approving a Lease Agreement between Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. and the City and County of San Francisco operating by and through the San Francisco Port Commission for a Maritime Recreation Center at Pier 38.

Description: Pier 38 Maritime Recreation Center Project Overview

Pier 38 is owned by the Port. Mr. Nicolas Dempsey of the Port states that Pier 38 is currently vacant, except for a small area where boats owned by one of the proposed tenants, Mr. Carl Ernst, Jr., are being stored for a fee (See Comment No. 4). In the second paragraph of page 2 of a memo shown as Attachment No. 1 to this report, Port Executive Director Dennis Bouey states that the existing condition of the Pier 38 facility is poor, and that Port staff have reported that there are significant structural problems related to the south wall and the pier and roof substructures.

The proposed tenants, Mr. Ernst and Pier 38 Maritime Recreation Center, Inc., approached the Port with a proposal for developing Pier 38. The proposed Pier 38 Maritime Recreation Center would be designed to provide a drystack (out-of-water) boat storage facility for approximately 300 motor boats, fueling services to customers, transient berthing, sales of new and used motor boats, motor boat rental, a maritime chandlery (store for maritime supplies), food and beverage services, customer parking, and public access. Mr. Ernst and the Pier 38 Maritime Recreation Center, Inc., would lease Pier 38 from the Port, as proposed in Item 4, File 65-96-2.1 (see details below).

The Port Commission authorized the Port to negotiate a lease, on a sole source basis, with Mr. Ernst and the Pier 38 Maritime Recreation Center, Inc. without conducting a

competitive bid, on the grounds that such a bid would be impractical or impossible (See Comment No. 1, which refers to Attachments Nos. 1, 2 and 3 provided by the Port). The Pier 38 Maritime Recreation Center, Inc. is a corporation to be formed in the future by Mr. Ernst. Mr. Dempsey advises that at this time, no principals other than Mr. Ernst are expected to be involved with this planned corporation.

The proposed lease is designed to encourage the proposed tenants to improve the property without requiring expenditures on the part of the Port, according to Mr. Dempsey. Lease provisions include a basic rent schedule that increases over the term of the lease, and significant rent credits for repair expenditures and tenant improvements to construct the planned commercial facilities. A long-term lease (20 years and nine months, with three five year options), is being proposed in order to enable the tenants to amortize their investment in the property, as well as to accommodate Mr. Ernst's plan to use the leasehold to qualify as a nontaxable property exchange in connection with unrelated property recently sold by Mr. Ernst. The option periods would only be available if a tax free exchange is completed within the first four years of the lease term.

Item 3 - File 65-96-2

This is a resolution adopting the Final Negative Declaration finding that the proposed Pier 38 Maritime Recreation Center will have no significant impact on the environment.

On December 21, 1995 the Department of City Planning issued for public review a preliminary negative declaration for the proposed project. On February 2, 1996 the negative declaration was finalized by the Department of City Planning. The negative declaration was based on the project description developed by the proposed sole-source tenants, Mr. Ernst and Pier 38 Maritime Recreation Center, Inc.

Item 4 - File 65-96-2.1

Premises

to be Leased:

Pier 38, on the Embarcadero between Brannan Street and Townsend Street:

68,000 square feet of shed space (open bay warehouse space)

28,000 square feet of apron space (dock area for public access)

7,800 square feet of Pier Bulkhead Office Space

180,000 square feet of water surface area (non-exclusive possession of water surface area)

Permitted Uses:

The proposed lease states that the premises shall be used as a maritime recreation center, with the following uses:

- visiting boat docks and moorings
- recreational boat rentals
- dry boat storage
- a maritime chandlery operation occupying not more than 2,500 square feet
- a new and used boat sales operation occupying not more than 7,500 square feet
- related maritime recreation facilities which may include up to two whirlpool baths and up to two saunas
- casual dining and full service dining occupying not more than 5,000 square feet
- administrative offices, public access, parking

Term of Lease:

The proposed lease term is 20 years and nine months, commencing on the first day of the month succeeding adoption by the Board of Supervisors of the proposed ordinance approving the lease, with three five year options for renewal. The first nine months are considered the "Preliminary Term," to allow for completion of initial improvements to the premises by Mr. Ernst and Pier 38 Maritime Recreation Center, Inc., and to provide time for the rent up of dry boat storage spaces. (See Rent section below.) Mr. Dempsey advises that the lease term is comparable to the terms of other pier leases held by the Port, including Pier 33 (30 years, approved in 1980), Pier 54 (15 years, with two five year options, approved in 1990) and Pier 7 1/2 (20 years, with two five year options, approved in 1995). Mr. Dempsey further advises that the draft Waterfront Land Use Plan (a document that was mandated by the voters in 1990 under Proposition H) states that it will be a general policy of the Port to provide "long term leases and other incentives for maritime industries to invest in facility improvements..." in existing maritime areas such as Pier 38. According to Mr. Dempsey, Mr. Ernst plans to use the leasehold to qualify as a nontaxable property exchange,

connected with unrelated property recently sold by Mr. Ernst. Mr. Ernst therefore has requested a lease term, with options, of at least 30 years.

Mr. Dempsey states that the Port is willing to provide such a lease term because this term will help make the project feasible, and is consistent with the draft Waterfront Land Use Plan, which was mandated by Proposition H, passed by the voters in 1990. Mr. Dempsey reports that the draft Waterfront Land Use Plan restricts the use of Pier 38 to maritime, recreational maritime, public access and maritime support uses.

Rent:

Monthly Base Rent

Mr. Ernst and Pier 38 Maritime Recreation Center, Inc. would pay a minimum total base rent to the Port, as shown below.

	<u>Monthly Rent</u>	<u>Annual Rent</u>
Preliminary Term		
(nine months):	\$1,000	\$9,000
Year One	5,500	66,000
Year Two	11,000	132,000
Year Three	16,500	198,000
Year Four	21,500	258,000
Year Five	27,000	324,000
Year Six	32,000	384,000
Year Seven	37,500	450,000
Year Eight	48,000	576,000
Year Nine	48,000	576,000
Year Ten	48,000	<u>576,000</u>
Total through Year Ten		\$3,549,000

Years Eleven - 20: (1) An amount equal to \$22,000 per month, or \$264,000 per year, in 1996 dollars, adjusted by the Consumer Price Index, plus (2) an additional amount for the casual and full service dining space, to be agreed upon by the Port and the tenant based on the prevailing market rent for similarly sized, improved and situated dining space. Board of Supervisors approval would not be required for such additional rental amount. If the Port and the Tenant cannot agree on a rent adjustment for the dining space, the amount would be decided by binding arbitration. Mr. Dempsey states that the current market rate for comparable dining space is \$1.00 per square foot (a total of \$5,000 per month, or \$60,000 per year for approximately 5,000 square feet of dining space). The estimated combined monthly base rent in years eleven through 20 would therefor total \$27,000 (\$22,000 plus \$5,000) in 1996 dollars, or \$324,000 per year.

Board of Supervisors
Budget Analyst

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Assuming 3 percent average annual inflation, the anticipated rent schedule for years 11 through 20 is as follows:

	<u>Monthly Rent</u>	<u>Annual Rent</u>
Year 11	\$35,229	422,747
Year 12	36,286	435,429
Year 13	37,374	448,492
Year 14	38,496	461,947
Year 15	39,650	475,805
Year 16	40,840	490,079
Year 17	42,065	504,781
Year 18	43,327	519,925
Year 19	44,627	535,523
Year 20	45,966	<u>551,588</u>
Total Years 11-20		\$4,846,316

The foregoing estimate assumes that the dining space rent, to be negotiated at the end of Year 10, will total at least \$5,000 per month, as estimated by Mr. Dempsey. The total, 20 year rent would be \$8,395,316 (\$3,549,000 plus \$4,846,316). However, as described below, actual revenues to the Port will be significantly effected by rent credits as well as percentage rents.

Mr. Dempsey states that this proposed rent schedule represents fair market value, and is equivalent to rents that the Port receives for similarly situated facilities in similar condition. Mr. Dempsey advises that the rent schedule is designed to use higher than market base rent levels in years eight through ten to compensate the Port for the lower than market base rent levels in the early years of the lease. Mr. Dempsey further advises that the base rent in years eleven through 20 is designed to return to fair market rent levels.

Percentage Rent

Mr. Ernst and Pier 38 Maritime Recreation Center, Inc. would pay the Port a percentage rent if the percentage rent exceeds the base rent as follows:

(1) Casual and Full Service Dining: The tenant pays the difference between (a) 20 percent of the base rent shown above, and (b) 11 percent of gross receipts from casual dining, plus 7 percent of gross receipts from full service dining.

(2) Other Facilities: The tenant pays the difference between (a) 80 percent of the base rent shown above, and (b) 7 percent of all other sales and rental receipts, including used boat sales brokerage fees, but not including gross receipts directly related to the sale of new or used boats.

Board of Supervisors
Budget Analyst

At the election of either the Port or Mr. Ernst and Pier 38 Maritime Recreation Center, Inc., the Port could review and adjust the applicable percentage for the percentage rent every five years by up to 1 percentage point per revenue type, based on percentage rent rates for like uses in San Francisco at that time. Board of Supervisors approval would not be required for such an adjustment, as it is considered to be part of implementation of the lease provisions.

Opportunity Rent

Mr. Dempsey states that the rent for the first ten years of the lease, after the preliminary term of nine months, is designed so that the present value in the tenth year of all payments received over the ten year period is equivalent to level monthly payments of \$27,500 per month, or \$330,000 annually for the ten year period, adjusted annually by the CPI. The present value in the tenth year would be calculated using a discount rate of 5.75 percent. The discount rate measures the opportunity cost, which represents the Port's actual cost of bonded indebtedness.

In order to ensure that this revenue target for the Port is achieved, at the end of the first ten years of the lease (following the nine month preliminary term), the tenant would be required to pay the difference, if positive, between: (1) the present value of ten years of monthly payments of \$27,500, adjusted annually by the CPI, plus any percentage rents that would have been paid above these amounts, less (2) the net present value in the tenth year of the actual base rent plus percentage rent paid over the ten year period. This payment would be called the "opportunity rent." Mr. Dempsey advises that the provision for opportunity rent would probably only result in a payment by Mr. Ernst and Pier 38 Maritime Recreation Center, Inc. if there is high inflation over the coming decade. If there is relatively low inflation over the coming decade, Mr. Dempsey expects that the net present value in the tenth year of the actual payments made by the tenants to the Port will be at least equal to the present value of ten years of monthly payments of \$27,500, adjusted annually by the CPI, plus applicable percentage rents.

Option Rent:

The lessee would have three five year renewal options, if the tenant completes a tax free exchange connected with unrelated property recently sold by Mr. Ernst, within the first four years of the lease term. The proposed lease states that the option rent would start at the average of the base

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rent plus the percentage rent for the last three years of the lease, with annual CPI adjustments thereafter.

**Tenant
Improvements and
Rent Credits:**

The proposed lease contains minimum capital investment requirements of the tenant, which state that by the start of the fourth year of the lease, the tenant must show proof of investment of (1) not less than \$300,000 for items of repair and maintenance which would otherwise be the obligation of the Port, and (2) not less than \$200,000 in tenant improvements (e.g. non-repair improvements to facilitate commercial use of the property). The total required tenant investment in the facility is \$500,000 during the first three years of the lease.

The \$300,000 expenditure for repair and maintenance items would involve the facility roof, exterior walls, the pier substructure and the pier apron substructure. The proposed lease does not list specific repairs to be undertaken within these categories. Mr. Dempsey states that the tenants will have to determine which repairs are most important to their marketing efforts, subject to Port approval. Attachment No. 4 shows the repairs and improvements that the proposed tenants, Mr. Ernst and Pier 38 Maritime Recreation Center, Inc. plan to undertake to comply with this requirement.

The tenant would be entitled to dollar-for-dollar rent credits for the cost of repairs that would otherwise be the obligation of the Port, as long as the repairs are undertaken with Port approval. Therefore, the tenant would be entitled to a minimum of \$300,000 in repair-related rent credits during the term of the lease, with no maximum cap on repair and maintenance rent credits other than that exercised by the Port in approving specific expenditures.

Additionally, the tenant would be entitled to rent credits totaling 50 percent of the cost of tenant improvements approved by the Port, up to a maximum rent credit of \$1,000,000 for general tenant improvements, and \$200,000 for hazardous materials remediation and abatement, for a total of \$1,200,000, over the term of the lease. Such rent credits would include, but not be limited to, the required \$200,000 in tenant improvements. Therefore, based on the investment requirements listed above, the tenant would be entitled to a minimum of \$100,000 in tenant improvement-related rent credits (50 percent of \$200,000), and a maximum of \$1,200,000 in such rent credits over the term of the lease.

The proposed lease states that the tenant cannot claim total rent credits (including both repair/maintenance rent credits and tenant improvement rent credits) in any one month above 50 percent of the Base Rent that would otherwise be due the Port in that month. This requirement would result in spreading rent credits over a longer period of time, ensuring a minimum level of rent payments to the Port.

**Estimated
Revenues to Port:**

Mr. Tom Girlich, Port Financial Planner, estimates that, at a minimum, the proposed lease agreement would result in estimated average annual rental revenues to the Port of \$193,326 during the first ten years of the lease, and \$264,134 during the second ten years of the lease, for total 20 year minimum estimated rental revenues of \$4.6 million.

Because of the provision limiting rent credits in any month to 50 percent of the Base Rent, the Budget Analyst estimates that total 20-year and nine month revenues to the Port would be a minimum of approximately \$4.2 million in nominal dollars (approximately 50 percent of the total scheduled Base Rent before rent credits of \$8.4 million over the term of the lease), or \$2.1 million in present value. This estimate assumes 3 percent annual inflation over the term of the lease, and dining space rent in years 11 through 20 of \$5,000 in present value. These estimates do not assume payments of percentage rent, as such payments are dependent upon the commercial success of the various retail activities planned in the project, and cannot be predicted with any accuracy at this preliminary stage of the project.

The estimate also assumes that the tenants claim the maximum rent credits during the term of the lease, which would require the tenants to invest an identical total (\$4.2 million in nominal dollars, or \$2.1 million in present value) in tenant improvements, repairs and maintenance over the term of the lease. The value of such improvements to the Port has not been included in the estimate of rental revenues to the Port.

Utilities: Tenant responsible for all utilities.

Maintenance: The Port would be responsible for maintenance of the facility roof, exterior walls, pier substructure and pier apron substructure. However, as stated above, the tenant would be required to invest \$300,000 in repairs to these aspects of the facility during the first three years of the lease, and would receive a full rent credit for any such repairs undertaken with the prior approval of the Port.

Board of Supervisors
Budget Analyst

The tenant would be responsible for all other maintenance and repair of the facility.

Comments:

1. The Port Commission has determined that it would be impractical to conduct a competitive bid for lease of the subject property, and authorized the Port to enter into negotiations with Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. without a competitive bid. As previously noted, Pier 38 Maritime Recreation Center, Inc. is a corporation that would be formed by Mr. Ernst if the proposed lease is approved. On page 2 of Attachment No. 1, Mr. Bouey cites the following reasons why a competitive bid would be impractical or impossible: (1) Pier 38 requires substantial repairs, which would have to be underwritten by any prospective user; (2) the range and combination of maritime uses that is proposed is so unique that only the proposed bidder has both the interest and the ability to undertake the project; and (3) the facility has been essentially vacant for five years. Despite direct marketing efforts on the part of the Port, no other proposals involving acceptable proposed uses have been presented to the Port. Attachment 2 provided by the Port documents all prior direct marketing efforts. Attachment No. 3 is a copy of the Port Commission resolution finding that an RFP process would be impractical.

Mr. Harry Quinn of the Department of Real Estate (DRE) states that, in the professional judgment of the DRE, the Port is justified in its claim that a competitive bid would be impractical in this case, because (1) Pier 38 has been vacant for a long period of time, (2) the property needs substantial repairs which the Port is unable to pay for directly, so the lease must be negotiated to include tenant financing of repairs; and (3) sole source negotiation of this lease does not preclude other interested parties from leasing comparable pier property from the Port (i.e., there are other vacant pier sites). Regarding fair market value, Mr. Quinn advises that the DRE cannot evaluate the terms of Port maritime leases, because the market for such leases is unlike typical DRE leases. Attachment No. 5 contains this statement in writing from Mr. Quinn.

As previously noted, the Port has utilized various efforts to lease the subject property in the past five years to justify a determination that a Request for Proposal (RFP) process would not yield alternative qualified proposals for permissible uses on Pier 38. Such efforts include: (1) listing of the property in the Port's internal vacancy/available report

for use by Port leasing staff in matching the space needs of prospective Port tenants with Port properties; (2) posting of an "Available" sign on the property since 1993-94; (3) listing of the property in a direct mailing to Bay Area real estate brokers; and (4) telephone inquiries to seven Bay Area marina operators in 1995. Mr. Dempsey states that these efforts have yielded many inquiries, but no proposals for uses acceptable under current and proposed land use ordinances, other than that submitted by Mr. Ernst and Pier 38 Maritime Recreation Center, Inc.

2. The Port would have the right to terminate the lease if the tenant fails to make the minimum required investment of \$500,000 described above by the start of the fourth year of the lease.

3. Mr. Dempsey states that the tenant plans to make further investments in the facility in the first ten years of the lease, above the required \$500,000, which are estimated as follows: (1) \$500,000 for additional structural and facility repairs; (2) \$2,380,000 for additional tenant improvements and office and commercial build out; and (3) \$840,000 in trade fixtures and equipment, for a total planned additional tenant investment of approximately \$3.72 million. Attachment No. 4 shows the specific improvements that are planned and estimated costs. However, the provisions of the lease do not require this \$3.72 million in improvements to be made.

4. Mr. Dempsey states that approximately 2,400 square feet of the Pier 38 shell is currently being leased to Pinnacle Properties, at a lease rate of \$0.35 per square foot, or approximately \$840 per month. Mr. Dempsey advises that Pinnacle Properties is a brokerage firm, which is in turn leasing the shell space to Mr. Ernst for storage of motor boats, and, on a month-to-month basis, to a company called Clean Bay, which would be relocated to Pier 50 if the proposed lease is approved, at no cost to the Port.

5. The proposed lease states that 30 percent of all construction costs must be allocated by the tenant to MBE/WBE/DBE businesses.

6. The Budget Analyst recommends that the proposed ordinance be amended to require the Port to report to the Board of Supervisors regarding (1) the base rent terms for the dining space, which are subject to negotiation at the end of the tenth year of the proposed lease; and (2) any reduction in percentage rents during the term of the lease.

Board of Supervisors
Budget Analyst

7. In the professional judgment of the Budget Analyst, a specific example of the calculation of the opportunity rent should be attached to the proposed lease, to ensure that the tenant and the Port are in agreement about how the calculation would be made. Deputy City Attorney Julie Van Nostern states that such an example will be included in the lease.

8. The Port estimates that, at a minimum, the proposed lease agreement would result in estimated rental revenues of \$4.6 million to the Port over the 20 year term of the lease, and a minimum of \$500,000 in maintenance and tenant improvement investment by the tenant. In the professional judgment of the Budget Analyst, these minimum revenue projections appear to be reasonable, but there is some uncertainty about the actual revenues to be realized by the proposed lease. Furthermore, the Budget Analyst notes that the proposed lease would provide a sole source arrangement with Mr. Ernst and Pier 38 Maritime Recreation Center, Inc.

- Recommendations:**
1. Amend the proposed ordinance to require the Port to report to the Board of Supervisors regarding (1) the base rent terms for the dining space, which are subject to negotiation at the end of the tenth year of the proposed lease; and (2) any reduction in percentage rents during the term of the lease.
 2. The Budget Analyst considers approval of the proposed resolution adopting a Final Negative Declaration (File 65-96-2) and the proposed ordinance approving a lease agreement between Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. and the City (File 65-96-2.1), as amended, to be policy decisions for the Board of Supervisors.

PORT OF SAN FRANCISCO



MEMORANDUM

February 5, 1996

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Writer

TO: MEMBERS, PORT COMMISSION
Hon. Michael Hardeman, President
Hon. Frankie G. Lee, Vice President
Hon. Anne Halsted
Hon. Francis J. O'Neill
Hon. Preston Cook

FROM: Dennis P. Bouey *DPB*
Executive Director

SUBJECT: Adoption of Finding of Negative Declaration and Approval of Lease with Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. for a 20 year 9-month term with three 5-year options for a maritime recreation center at Pier 38.

DIRECTOR'S RECOMMENDATION: ADOPT FINDING OF NEGATIVE DECLARATION AND APPROVE LEASE AGREEMENT WITH CARL ERNST, JR. AND PIER 38 MARITIME RECREATION CENTER, INC.

BACKGROUND

Carl Ernst, Jr. and Pier 38 Recreation Center, Inc. (jointly and severally, "MRC") approached the Port desiring to lease substantially all of Pier 38 in order to establish a maritime recreation center. Mr. Ernst has over twenty years of recreational enterprise experience. He has operated marinas and boatyards in California at Lake Tahoe and Montara. Over two years of market research and concept analysis preceded his approaching the Port with this proposal. On August 29, 1995, the Port Commission adopted a resolution (Resolution 95-70) approving an Exclusive Right to Negotiate Agreement with MRC. A copy of the Memorandum and Resolution 95-70 is attached for your review and reference.

Staff has negotiated the terms of a proposed lease agreement with MRC consistent with the Port Commission's previously approved resolution.

The Pier 38 Maritime Recreation Center will offer dry boat storage and boat launching, small boat rental, transient berthing, new and used boat sales, a maritime chandlery, a casual dining snack bar and full service restaurant, related customer parking and general administrative offices and public facilities and enhanced public access. The proposed uses are consistent with the uses

THIS PRINT COVERS CALENDAR ITEM NO. 5C

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currently permitted for this site. More importantly, the use as a maritime recreation center is consistent with the uses permitted and encouraged under the Draft Waterfront Land Use Plan. Pier 38 would be transformed into an active, inviting location for residents and visitors to gather and enjoy the waterfront.

The existing condition of the Pier 38 facility is poor. The Port Maintenance and Engineering Staff has reported that there are significant structural problems related to the south wall and the pier and roof substructures.

MRC would perform renovations of Pier 38. The MRC business plan envisions expenditures exceeding \$4.2 Million Dollars allocated as follows: \$1,595,000.00 for tenant improvements and repairs, including commercial and office build outs, boat storage facilities and public access enhancement; \$1,350,000.00 for structural and facility repairs, including repairs to the roof and walls and needed piling replacement, (some of which may be repairs otherwise the obligation of the Port) and \$1,255,000.00 for fixtures and equipment. These improvements will be financed by a combination of Tenant equity and State Department of Boating and Waterways and private loans.

Pursuant to Port Commission Leasing Policy adopted August 22, 1979, and subsequently amended by Resolution 80-95 on September 10, 1980, subsection 10, the Port may enter into negotiations with a tenant without competitive bid when competitive bid is impractical or impossible and the property is proposed to be used for maritime purposes. The proposed use is a maritime-related use. In addition, staff believes that issuing a Request for Proposals for this Facility would prove impractical and impossible for the following reasons:

- The physical condition of the Pier 38 Facility requires substantial repairs. Any bid proposal would require prospective users to underwrite the costs of needed structural, roof and other repairs which would preclude sufficient interest from qualified prospective bidders.
- The range and combination of maritime and related uses in the proposed use at Pier 38 are so unique as to preclude from the field of potential bidders any other users with the interest and ability to undertake the project other than MRC.
- The Pier 38 Facility has been vacant for over five years. The Port's direct marketing efforts over the past 3 years have resulted in no other proposals for other acceptable maritime or permitted uses for Pier 38 either under the existing zoning or the Draft Waterfront Plan.

Because the above stated reasons make competitive bidding impractical, competitive bid of this Lease is not required under Port Commission policy nor under San Francisco Charter or Administrative Code Section 2.6-1.

A Final Negative Declaration for the project was adopted and issued by the Department of City Planning on February 2, 1996.

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The Final Negative Declaration is attached hereto for review. The Final Negative Declaration found that there is no substantial evidence that the proposed maritime recreation center could have a significant effect on the environment. No measures of mitigation are required.

Terms

Premises

The Premises is comprised of 68,000 useable square feet of shed space, 28,000 square feet of pier apron and stringer, 7,800 square feet of bulkhead office, and the non-exclusive use of 180,000 square feet of water space.

Uses

Permitted Uses

A maritime recreation center limited to dry boat storage and launching facilities; transient berthing for not more than 72 hours per visit; small boat rental; maritime recreational equipment rental; new and used boat sales occupying not more than 7,500 square feet; a maritime chandlery occupying not more than 2,500 square feet; Casual Dining and Full Service Dining including therein the sale of alcoholic beverages for on-site consumption occupying not more than 5,000 square feet (No sales of alcoholic beverages for off-site consumption shall be permitted); general and administrative offices for related functions; customer parking for a maximum of 100 vehicles; related support locker rooms.

Prohibited Uses

The Lease will prohibit the use of the Premises for boat excursion services, site seeing tours, dinner or cocktail cruises, water taxi service, exercise, health spas or fitness centers, video arcades or electronic game rooms, R.V. storage, and public parking for other than customers or guests and non project-related office use.

Term

The Term is twenty (20) years and nine (9) months with three 5-year Options. The first nine months allow for initial build out of the Premises and for rent up of dry boat storage spaces. Options are provided in event of a delayed "1031" Exchange. (IRS rules allow for an "exchange" of fee interests and leasehold interests provided that the leasehold interest is for not less than 31 years.) If the tenant fails to effect the anticipated exchange within the first four years of the Term, the Options expire.

Right of Early Termination

The Tenant will have the one time right to terminate at the end of the tenth year of the Term or at other times if the Port fails to undertake Port maintenance items and the Tenant chooses not to undertake such repairs. The Port may terminate if MRC fails to secure all necessary governmental permits within the first 6 months of the Term or if, at the end of the third year, the Tenant has not made the minimum required investment as set forth below or if, upon written notice by the Port, the Tenant fails to repair a hazardous/life-safety condition which is either the Port's responsibility or the Tenant's responsibility to repair.

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Base Rent
The Base Rent schedule during the first 10 years of the Term is designed to guarantee the Port a cash flow equivalent to the net present value of a Base Rent equal to \$27,500 per month as if it had been adjusted by annual CPI increases. Within this \$27,500 per month Base Rent, \$22,000 is allocated to that portion of the Premises not used for restaurant uses ("Maritime Base Rent") and \$5,500.00 is allocated to the areas dedicated to Casual and Full Service Dining ("Restaurant Base Rent") (cumulatively "Base Rent")

The Base Rent schedule is structured as follows:

For the Preliminary Term (9 months) One Thousand Dollars (\$1,000.00) per calendar month.

For the First Lease Year: Five Thousand Five Hundred Dollars (\$5,500.00) per calendar month;

For the Second Lease Year: Eleven Thousand Dollars (\$11,000.00) per calendar month;

For the Third Lease Year: Sixteen Thousand Five Hundred Dollars (\$16,500.00) per calendar month;

For the Fourth Lease Year: Twenty One Thousand Five Hundred Dollars (\$21,500.00) per calendar month;

For the Fifth Lease Year: Twenty Seven Thousand Dollars (\$27,000.00) per calendar month;

For the Sixth Lease Year:) Thirty Two Thousand Dollars (\$32,000.00) per calendar month;

For the Seventh Lease Year: Thirty Seven Thousand Five Hundred Dollars (\$37,500.00) per calendar month;

For the Eighth, Ninth and Tenth Lease Years: Forty Eight Thousand Dollars (\$48,000.00) per calendar month;

For the Eleventh through the Twentieth Lease Year: A Maritime Base Rent of Twenty Two Thousand Dollars (\$22,000.00) adjusted by the CPI from the Lease Commencement Date (1996), plus an amount equal to the fair market rental value for the "Restaurant Base Rent" to be agreed upon by the parties or failing an agreement, to be determined by binding arbitration.

Base Rent Adjustments

In the eleventh year, monthly Maritime Base Rent will be based on a ten year CPI adjustment on \$22,000.00. The Restaurant Base Rent will be adjusted to fair market value by mutual agreement. If the Port and Tenant fail to agree on the adjusted Restaurant Base Rent, the matter will be determined by arbitration. This procedure will be used to adjust the Restaurant Base Rent

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every five years. In subsequent and intervening years, all Base Rents will be adjusted annually by CPI adjustment.

Opportunity Rent

In order to insure that the actual cash flow equals the then net present value of \$27,500 per month over a ten year period, at the end of the tenth lease year an "Opportunity Rent" will be payable by MRC which will be equal to the difference between the net present value of all rents actually received as compared to the net present value of \$27,500 per month, as if adjusted annually by the actual CPI increases during the first ten years plus any percentage rents that would have been payable given that assumed Base Rent.

Option Rent

In the option periods, the Base Rent will be the greater of 115% of the average Base Rents and Percentage Rents for the previous three years or the Port's minimum rent for as improved, similarly situated facilities per published Port schedule.

Percentage Rent

Percentage Rent will be payable at a rate of 7% of Gross Maritime Sales and boat sale brokerage fees versus the Maritime Base Rent. New and used boat sales will be excluded from the definition of Gross Maritime Sales. Percentage Rent for food sales will be payable at a rate of 7% for full service dining and 11% for casual dining versus the Restaurant Base Rent.

Percentage Rent Adjustment

The applicable percentages are subject to adjustment every five years and are to be determined at the Port's sole and reasonable discretion. The actual increase or decrease can be no more than one (1) percentage point per adjustment period per revenue type. In the eleventh year and for any option period, if the parties fail to agree on the rate, the Restaurant Percentage Rent shall be determined by arbitration.

Maintenance Obligations

The Port agrees to maintain the pier substructures and the structural portions of the roof and exterior walls and to maintain the roof and walls in a water tight condition. All other items of maintenance and repair are the sole obligation of MRC.

Should the Port determine not to undertake such maintenance and/or repairs, the Lease provides that the Tenant's sole remedy is to either assume the repairs and/or maintenance at its own expense subject to the receipt of rent credits for the cost of such undertakings, or terminate the Lease. The Port can void any such termination by making the needed repairs.

Facility Improvements Required Tenant Expenditure

During the first 3 years of the Term, the Tenant must spend not less than \$300,000.00 for repairs that would otherwise be the obligation of the Port (e.g. roof, roof structure, pier substructure, exterior walls, apron substructure) and not less than \$200,000.00 for tenant improvements.

February 5, 1996

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Other Tenant Investments

MRC anticipates investing an additional \$3.7 Million Dollars allocated as follows:

\$1,050,000.00 for structural and other facility repairs;

\$1,395,000.00 tenant improvements and office and commercial build out;

\$1,255,000.00 in trade fixtures and equipment.

Rent Credits

Tenant Improvements

The tenant shall be entitled to rent credits for 50% of the cost to install or construct capitalizable tenant improvements (excluding furniture, fixtures and equipment) up to a maximum available credit of \$1,000,000.00 for tenant improvements and up to \$200,000.00 for hazardous materials remediation and abatement over the Term provided that the Port first approves such improvements or work.

Repairs Undertaken on Behalf of the Port

The Tenant shall be entitled to receive a dollar for dollar rent credit for the cost of undertaking repairs otherwise the obligation of the Port (e.g., roof, roof substructure, pier substructure, exterior walls, apron substructure, etc.) provided that the Port first approves such repairs.

Application of Rent Credits

No event shall rent credits available for any one month be greater than one half of the Base Rent otherwise payable to the Port for that same month.

Assignment and Subletting

Subject to Port's reasonable approval of assignment or subletting, the Port will receive 50% of the rents received by the Tenant in excess of rent less subletting or assignment expenses.

Affirmative Action

A Affirmative Action Plan, as approved by the Port, for construction and hiring will be incorporated in the Lease. Thirty percent of all construction costs must inure to benefit MBE, WBE, and DBE contractors.

SUMMARY

The nature of the proposed use, a full service maritime recreation center and the anticipated improvements and repairs to the Pier 38 facility, together with enhanced public access to the waterfront, are consistent with the proposed Waterfront Land Use Plan and represent a significant benefit to the Port, City and County of San Francisco.

PORT OF SAN FRANCISCO

Memorandum



Date: March 7, 1996

To: Eve Sternberg
Budget Analyst's Office
Board of Supervisors

cc: Frederick D. White
Veronica Sanchez

From: Nicolas J. Dempsey

Re: Proposed Lease, Pier 38
Maritime Recreation Center

By telephone, you have requested that the Port document its direct marketing efforts relative to the possible occupancy and development of the Pier 38 pier and bulkhead facility.

Until March of 1991, the entirety of the Pier 38 facility was occupied by Service Engineering Co., an in-water ship repair facility. That operation was subsequently moved to Pier 50, south of China Basin.

Following Service Engineering Company's departure, the Pier Shed and Bulkhead offices were added to the Port's BIFLAVACA. The BIFLAVACA is the Port's Internal vacancy/available report and is utilized by the Port's leasing staff to match the space requirements of prospective tenants with available and suitable Port properties.

Unfortunately, the physical condition of the Pier 38 substructure and above water improvements was so wanting as to preclude continued interest by tenants requiring even basic open bay Shed Space for storage or other similar purposes. The roof leaked and was incapable of handling the smallest of rain showers. The concrete on the southern walls of the Shed was sloughing off to the point that the internal steel reinforcing system was rusting. The offices lacked sufficient power. In addition, the leasing of a portion of the Bulkhead Building to the San Francisco Redevelopment Agency as a part of the South Beach Marina project resulted in an elimination of code-required secondary exiting corridors for the second floor Bulkhead offices.

Eve Sternberg
March 7, 1996
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As a result, the only tenants willing to lease space (temporary or long term) were the San Francisco Municipal Railway and the Southern Waterfront Transportation Project General Contractor, Stacey/Whitbeck. Muni had a temporary need (6 months) for covered storage for out-of-service and out-of-repair buses, awaiting dismantling. Stacy/Whitbeck construction needed a small field office for the Southern Waterfront Transportation Project and leased 1,500 square feet of Bulkhead office space.

A small portion of the Pier Apron and Stringer was licensed to the ship Clean Bay II as a "parking" space for this oil spill response vessel.

In an effort to more aggressively market the facility, the Port chose Pier 38 as the first location to display the Port's new "Available" signs and included the facility in its direct mail program to the San Francisco Bay Area real estate brokerage firms. These efforts in 1993-4 coupled with the Port's press releases in September of 1993 announcing the Port's new real estate leasing commissions generated significant and varied interests in the Pier 38 facility.

However, in every instance, save the instant proposal, each inquiry involved development proposals that were inconsistent with either existing use restrictions or the Draft Waterfront Land Use Plan, or both.

Proposition H, an initiative passed by the voters in 1990 mandated the creation of a Waterfront Land Use Plan controlling the future development of the Port's Waterfront properties. The final Draft Waterfront Land Use Plan as approved by the Port Commission restricts the use of Pier 38 to primarily maritime and recreational maritime uses. (See attached "Acceptable Land Use Table: South Beach/China Basin". Hotels, General Office Buildings and similar commercial and general retail opportunities are not permitted.

The Port's Director of Tenant and Maritime Services and the Port's leasing staff received numerous inquiries from real estate brokers wanting to lease the facility for redevelopment as hotels, office buildings, live-work lofts, residential apartments and similar unacceptable uses. One proposal was for an education center in connection with a "Dinosaur Amusement Park".

Most of the dozens of inquiries involved office and/or hotel development of the entire pier. Many inquiries involved restaurant use of only the southernmost portion of the Bulkhead Building along its Embarcadero frontage.

When the Pier 38 Maritime Recreation Center proposal was received by the Port's leasing staff direct inquiries were made of other Bay Area marina operators to determine if there was sufficient alternative maritime interest to warrant a Request For Proposal (RFP) for such a use.

This writer contacted the following Marina operators who responded to our phone inquiries

Hunting Gate Group, Alameda
Fortman Marina, Alameda

Eve Sternberg
March 7, 1996
Page 3

Clipper Yacht Harbor, Sausalito
Grand Marina, Alameda
Kappas Marina, Sausalito
Oyster Point Marina, South San Francisco
New Bridge Marina, Antioch

Several other marina operators (Loch Lomond Marina, San Rafael; Schoonmaker Point, Sausalito; Richmond Marina, Richmond) did not return calls after we left voice-mail messages.

While there was interest in any opportunity to develop an in-water conventional marina, none of those contacted were interested in operating a dry boat storage facility, and boat chandlery or boat sales facility or other use of the Pier facility.

This lack of interest was expressed without their knowing the physical condition of the pier and the projected costs to repair the substructure and above water improvements.

In the mean time, the Port had twice issued Requests for Proposals (RFP) for the leasing and redevelopment of the Mission Rock Resort restaurant and marina at 817 Terry Francois Blvd (nee' China Basin Street). The poor physical condition and high inherent costs to bring that much smaller facility and 23 boat marina up to code in conjunction with the rental structure and short (10 years) lease term resulted in no acceptable bids.

A similar Request for Proposals for the use of Pier 48, south of China Basin, resulted in no responsive bid proposals.

This experience caused the Port to ask of itself whether or not any alternative proposals for Pier 38 would be economically feasible given the fact that a change of use would necessarily trigger a structural and seismic upgrading of the facility. It was determined that the Port would undertake a structural analysis of the Pier structure and substructure. That analysis is attached for your review. It indicates that nearly \$2.4 million dollars would be required to restore the Pier apron and fendering systems. An additional \$210,000.00 was projected for roof repairs and replacement. An ongoing study indicates that the replacement of a percentage of pier sub-structure pilings in the low teens will be necessary. This will involve substantial sums in the mid six figure range. No analysis has been prepared relative to the restoration of the Shed exterior walls.

While there is no doubt that the offering of this facility for non-maritime uses (which would be unacceptable to the Port and the Draft Waterfront Land Use Plan) would result in many proposals, there are few if any parties with the vision to develop the pier consistent with the community's expressed wishes as expressed by Proposition H and the Draft Waterfront Land Use Plan.

In addition the Port has other possible suitable facilities on the Southern Waterfront that could be made available for competing uses if sufficient demand were to develop.

Eve Sternberg
March 7, 1996
Page 4

The San Francisco Port Commission has adopted a policy that commercial development opportunities along the waterfront should be subject to competitive bidding unless the project involves maritime use and to do so would prove impractical or infeasible. It is the finding of the Port Commission that the existing condition of the Pier 38 facility is such that competitive bidding for maritime uses consistent with the Draft Waterfront Land Use Plan and providing for the unique combination of dry boat storage, transient berthing, chandlery, new and used boat sales, dining and enhanced public areas would prove infeasible and impractical. The Port's leasing, Planning and Development staff's concur.

G:\WP51\MEMO\STERNBERG\ND\04\et March 7, 1996

PORT COMMISSION
CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 96-20

- WHEREAS, Charter Section 3.581 grants to the Port Commission the power and duty to use, conduct, operate, maintain, manage, regulate and control the Port area of San Francisco; and
- WHEREAS, Carl Ernst, Jr. and Pier 38 Maritime Recreation Center, Inc. (collectively "MRC") have proposed to develop a full service maritime recreation center at Pier 38; and
- WHEREAS, The proposed use of Pier 38 as a maritime recreation center is consistent with the uses permitted in the Draft Waterfront Land Use Plan previously approved by the Port Commission;
- WHEREAS, Staff has negotiated all of the terms and conditions of a proposed lease with MRC; and
- WHEREAS, On December 21, 1995, the Department of City Planning issued for public review and comment a Preliminary Negative Declaration, Case No. 95-546E for the proposed Pier 38 Maritime Recreation Center and on February 2, 1996 the Negative Declaration was finalized; and
- WHEREAS, The Port Commission has determined that given the unique nature of the use, and for the reasons set forth in the Memorandum to the Port Commission for Agenda Item 5C for the Port Commission meeting on February 13, 1996, a request for proposals for a Lease would prove both impractical and infeasible; now therefore, be it
- RESOLVED, That this Port Commission has considered and reviewed the Final Negative Declaration and hereby adopts said Final Negative Declaration and hereby finds that the Pier 38 Maritime Recreation Center described therein will have no significant impact on the environment, and adopts and incorporates herein by reference thereto, the findings of the Final Negative Declaration, Case No. 95-546E, issued by the Department of City Planning, a copy of which is on file with the Secretary of the Port Commission; and be it further

RESOLVED,

That the San Francisco Port Commission hereby approves entering into Lease No. L-12120 with Carl Ernst Jr. and Pier 38 Maritime Recreation Center, Inc. substantially on the terms and conditions outlined in the Memorandum to the Port Commission for Agenda Item 5C for the Port Commission meeting on February 13, 1996 and as more fully contained in said lease; and further, be it

RESOLVED,

that the Executive Director is hereby directed to forward Lease No. L-12120 to the Board of Supervisors of the City and County of San Francisco for approval by ordinance pursuant to City Charter Section 7.402-1.

I hereby certify that the foregoing resolution was adopted by the Port Commission at its meeting of February 13, 1996.

Amelia G. Garcia
Secretary

\\WP51\PIER38\MA.MEM\ND\jc\02-05-96

Pier 38 - Improvements Budget - Phase 1 (24 Months)

ITEM	BUDGET	
A. Main Building - Boat Storage		
Boat Racks	\$ 300,000	
Firesprinklers	\$ 150,000	
Roofing	\$ 150,000	
Painting	\$ 100,000	
Structural Repairs	\$ 100,000	
Electrical & Lighting	\$ 100,000	
Boat Launch System	\$ 100,000	
Misc. Plumbing	\$ 15,000	
Misc. Repairs	\$ 25,000	
Misc. Door & Window Repair & Replacement	\$ 50,000	
Entry Gate & Railings	\$ 15,000	
Misc. Demolition	\$ 25,000	
Fuel Storage/Pump	\$ 15,000	
Subtotal		\$ 1,145,000
B. Transient Dock/Floats/Promenade		
Deck/Fender Repair	\$ 150,000	
Stairs/Gangways	\$ 150,000	
Floats/Piles	\$ 250,000	
Safety Railings	\$ 50,000	
Subtotal		\$ 600,000
C. Retail Buildout		
Bar/Restaurant (2,000 s.f.)*	\$ 40,000	
Equipment for Bar/Restaurant*	\$ 25,000	
Boat Showroom (3,500 s.f.)*	\$ 35,000	
Chandlery (1,500 s.f.)*	\$ 30,000	
Subtotal		\$ 130,000
D. Misc.		
Management Office	\$ 30,000	
Restrooms/Changing Facilities	\$ 40,000	
Sewage pumpout	\$ 15,000	
Subtotal		\$ 85,000
E. Other		
Architectural*	\$ 40,000	
Engineering*	\$ 50,000	
Permits & Fees	\$ 25,000	
Insurance etc.	\$ 25,000	
Construction Management	\$ 120,000	
Subtotal		\$ 260,000
Total		\$ 2,220,000
*Less Amount Not Eligible For B & W Loan		\$ 220,000
Amount Of Boating & Waterways Loan		\$ 2,000,000

Pier 38 - Improvements Budget - Phase 2 (Year 4)

ITEM	Budget
Bar/Restaurant Expanded to End of Pier (5000 s.f.)	\$ 450,000
Remodel/Expand Showroom	\$ 100,000
Remodel/Expand Chandlery	\$ 50,000
Additional Structural Repairs	\$ 100,000
Additional Fender Repair/Replacement	\$ 100,000
Misc. Repairs	\$ 40,000
Architectural & Engineering	\$ 50,000
Permits & Fees	\$ 25,000
Insurance etc.	\$ 25,000
Construction Management	\$ 60,000
Total	\$ 1,000,000

Pier 38 - Improvements Budget - Phase 3 (Year 8)

ITEM	Budget
Repair & Replace existing Fender & Deck	\$ 700,000
Misc. Structural Repairs	\$ 200,000
Architecture & Engineering	\$ 25,000
Permits & Fees	\$ 15,000
Insurance etc.	\$ 20,000
Construction Management	\$ 40,000
Total	\$ 1,000,000

City and County of San Francisco

Real Estate Department

Office of the
Director of Property

March 8, 1996

**S. F. Port Commission
Proposed Lease at Pier 38**

Harvey Rose
Budget Analyst
1390 Market St., Suite 1025
San Francisco, CA 94102

Dear Mr. Rose:

This is to confirm my conversation with Eve Sternberg of your staff regarding the proposed lease at Pier 38 by the San Francisco Port Commission.

Based on the information your office supplied, it appears that a competitive bid process for this particular site is impractical for the following reasons: (1) Pier 38 has been vacant for a long period of time, even after an extensive marketing effort; (2) Pier 38 needs substantial repairs which the Port is unable to provide, and a negotiated lease seems to be a reasonable approach to obtain a financially responsible tenant who is able to provide the needed improvements; and (3) there are additional rental opportunities on other vacant pier sites.

As to the fair market rental value of the proposed lease, we have no comment since we are not familiar with the economics of Port maritime leases.

Sincerely,

A handwritten signature in black ink, appearing to read "Harry J. Quinn", with a long horizontal flourish extending to the right.

Harry J. Quinn
Assistant Director of Property

HQ:\c:\Pier38.doc\lr.3.8.96

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Item 4 - File 65-96-6

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of April 23, 1996.

Department: Real Estate Department
Public Library

Item: Ordinance authorizing and approving a new lease of space in the new Main Library at 200 Larkin Street to Robin Boley-Alvarez and Francois Alvarez commencing April 18, 1996.

Location: 200 Larkin Street (Portion of First Floor)

Purpose of Lease: Cafe

Lessor: City and County of San Francisco

Lessee: Robin Boley-Alvarez and Francois Alvarez

No. of Sq. Ft. and Cost Per Month: Approximately 683 square feet @ \$3.25 per sq. ft., or \$2,219.75 per month, plus 10 percent of the gross quarterly sales of \$66,592.50 up to \$120,000 and 11 percent of all gross quarterly sales in excess of \$120,000. In other words, Lessee would pay percentage rent on gross sales at or above \$66,592.50.

Annual Revenues: \$26,637 per year in base rent payable to the City by Robin Boley-Alvarez and Francois Alvarez, plus 10 percent of the gross quarterly sales of \$66,592.50 up to \$120,000 and 11 percent of all gross quarterly sales in excess of \$120,000.

Term of Lease: April 18, 1996 to June 30, 1999 (3 Years and 2-1/2 Months)

Utilities and Janitor Services: Utilities would be provided by the City. Janitorial services, pest control and maintenance of the interior of the cafe would be the responsibility of the Lessee.

Right of Renewal: One 5-year Renewal Option

Comments: 1. The proposed lease provides that, in addition to the 683 square feet of space for the cafe on the first floor of the new Main Library, the Lessee may operate one or more satellite coffee carts in other sites of the building upon approval of the City Librarian and the City's Director of Property. Under the terms of the proposed lease, the City has set

BOARD OF SUPERVISORS
BUDGET ANALYST

basic guidelines for food items and prices for the cafe and the satellite coffee carts. The Request for Proposal (RFP) states that the guidelines for food items and prices are designated to include moderately priced fresh food items such as pastries and desserts, sandwiches, soups, and salads, some hearty, nutritious lunches for under five dollars, coffee, espresso, tea, juices, and soft drinks must be available, and availability of wine and beer is preferred but not required. However, according to Mr. Steve Hoppe of the Real Estate Department, the actual prices for the cafe and the satellite coffee carts are to be set by the Lessee without subsequent approval by the Public Library. The terms of the proposed lease provide that most aspects of the satellite coffee carts including design, appearance, food/beverage menu, and exact location of such satellite coffee carts must be approved by the City Librarian and the City's Director of Property. Additionally, the terms of the proposed lease provide that with respect to the cafe, the City Librarian would have final approval regarding advertising signs on the cafe premise and in other areas of the interior/exterior of the building.

2. The proposed lease also provides that the City will pay for tables and chairs as well as equipment such as refrigerators, dishwasher, and counter space for the cafe. The satellite coffee carts, if any, will be paid for by the Lessee. Additionally, the proposed lease provides that the City will be responsible for paying for improvements to floors, walls, and ceilings in the cafe in order to meet the City Building Code standards. Such furniture, equipment, and improvements are estimated by the Public Library to cost approximately \$47,385. The Attachment, provided by Mr. Jim Cheng of the Department of Public Works (DPW), provides the cost details and the funding source for the furnishings, equipment, and the improvements for the cafe. Mr. Cheng states that the Lessee is to pay for the maintenance and repairs of the equipment when warranties expire.

3. According to Mr. Hoppe, the Lessee, Robin Boley-Alvarez and Francois Alvarez, was selected through a RFP process in which eight proposals were evaluated by a committee which included a total of six representatives including two from the Library, two from the Library Foundation, one from the Human Resources Commission, and one from the Real Estate Department. Mr. Hoppe advises that Robin Boley-Alvarez and Francois Alvarez were selected by the committee because their proposal best met the overall criteria specified in the RFP.

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Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

The eight firms which submitted proposals, together with their MBE/WBE status and the minimum monthly base lease amounts plus percentages of gross sales proposed, are as follows:

<u>Name of Firm</u>	<u>MBE/WBE</u>	<u>Proposed Lease Amount</u>
Cyril W. Wong	No	\$1,707.50 mo. base rent/1-6mos. \$1,878.25 " /7-18mos. \$2,049 " /19-38mos. Plus 5% of gross annual income to be contributed to Children's Reading Fund Plus 5% of gross annual income to be contributed to Deaf and Hearing Impaired
Zarah Penacerrada-Llemos and Nonito Llemos	No	\$2,000 monthly base rent plus 3% monthly gross sales
Youngsoon Ahn and Kyo Min Ahn	No	If under \$40,000 gross sales per month, base rent is \$6,150/per month In excess of \$40,000 gross sales per month, base rent is 5.375% of gross sales
Julia and Anthony Chan	No	\$1,024 monthly base rent or 5% of monthly gross sales whichever is greater.
Tuan Nguyen	No	No monthly rent base nor percentage of gross sales proposed
Pasqua Coffee	No	No monthly rent base nor percentage of gross sales proposed
Albina and Mario Galetto	No	No monthly rent base nor percentage of gross sales proposed

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

<u>Name of Firm</u>	<u>MBE/WBE</u>	<u>Proposed Lease Amount</u>
Robin Boley-Alvarez and Francois Alvarez	No	\$16,392 annual base rent (\$1,366 per month) or 6% of annual gross sales whichever is greater.

4. According to a Memorandum of Understanding (MOU) between the Public Library and the San Francisco Library Foundation (File 65-96-5) which is pending before the Board of Supervisors, the Library Foundation may contract with the Public Library to provide events management services at the new Main Library. The Library Foundation plans to occasionally use the cafe and its equipment for after-hours special events. Mr. Hoppe states that the Library Foundation may secure catering services from other outside caterers or from the proposed Lessee.

5. The Lessee will indemnify the City against claims arising out of the Lessee's use of the leased premises and will carry insurance satisfactory to the City's Risk Manager.

6. Mr. Hoppe advises that the combination of monthly base rent plus the percentage of gross sales represents the fair market value of the lease.

7. Mr. Hoppe advised that there was no cafe or satellite coffee cart service operated at the old Main Library.

8. As noted above, the RFP stated that the availability of beer and wine in the cafe is preferred but not required. Mr. Hoppe reports that the Lessee is currently in the process of applying for a beer and wine license. In order for an alcohol license to be awarded, the Lessee is to follow the State's Alcohol Beverage Control (ABC) procedures including posting a public Notice of Intent on the premise. If there is protest to the Notice of Intent to sell alcohol at the specified location, the ABC's Office of Administrative Hearing will hold a public hearing and will render a decision to award or deny the alcohol license. Mr. David Price of the Public Library states that the Public Library will support the decision derived from the ABC public hearing.

9. Mr. Price advises that individuals who bring their own lunches may use the cafe facility without purchasing any cafe items.

Recommendation: Approve the proposed ordinance.

BOARD OF SUPERVISORS
BUDGET ANALYST

ID:

JAN 22'02

5:12 No.005 P.02

Sheet				COST		FUNDING SOURCE	
CAFE SUMMARY							
A. FURNISHINGS AND EQUIPMENT						TO BE DETERMINED	
1.	TABLES (9)			1,800			
2.	TABLE S, BOOTH AREA			2,600			
3.	CHAIRS (18)			2,000			
4.	UNDERCOUNTER REFER. (18.5 cf)			2,000			
5.	STAND ALONRR REFER. (22.7 CF)			2,000			
6.	ICE MAKER (120#)			3,500			
7.	STAINLESS STEEL SINKS (2)			2,000			
8.	UNDERCOUNTER DISHWASHER			2,000			
9.	STAINLESS STEELL PREP TABLES (2)			3,000			
10.	SERVING COUNTER (11'-0") WITH SNEEZE GUARD			8,000			
TOTAL				28,900		28,900	
B. MINOR IMPROVEMENTS							
FIELD WORK ORDER #455 (FLOORS, WALLS & CEILING)						BOND	
1.	SHEET VINYL FLOORING			3,100			
2.	REPAINT WALLS			865			
3.	FIBERGLASS REINFORCED WAINSCOT			5,750			
4.	SURFACE MOUNTED TOWEL DISPENSER			865			
5.	REPLACE (E) 2X2 CEILING WITH VINYL FACED NON-PERFORATED TILES			865			
SUBTOTAL				11,445	11,445		
FIELD WORK ORDER #455.1R (WATER LINE)						TO BE DETERMINED	
1.	1/2" COLD WATER CONNECTION						
2.	1-1/2" SS LINE						
3.	2" X 1-1/2" DWV REDUCER						
4.	INDIRECT WASTE CONNECTION						
MATERIAL				2,400			
LABOR				1,920			
SUBTOTAL				4,320	4,320		
FIELD WORK ORDER # 460 (OUTLETS)						TO BE DETERMINED	
1.	ADD RECEPTACLES (4 TOTAL: 3 @ 220V & 1@ 110V)						
2.	ADD 30 AMP BREAKERS (4)						
3.	CONNECTION TO ELECTRICAL PANEL						
MATERIAL				420			
LABOR				2,300			
				2,720	2,720		
SUBTOTAL					18,485	18,485	
GRAND TOTAL						47,385	

Item 5 - File 93-95-33.1

Item: Ordinance implementing the provisions of an arbitration award between the Teamsters Local 856 and the City for the period July 1, 1996 through June 30, 1998.

Description: The propose ordinance would amend an ordinance previously approved by the Board of Supervisors which implemented the provisions of a Memorandum of Understanding (MOU) between the City and Teamsters Local 856. An arbitration award which contained the matters addressed in the proposed subject amendment was issued in August of 1995, however, these provisions were inadvertently not included in as part of the previous ordinance implementing the provisions of the MOU between the City and Teamsters Local 856. As of July 1, 1996, through the period of the MOU ending June 30, 1998, the arbitration award in these matters provides that:

- Employment counseling will be made available for represented employees who are laid off as a result of contracting out. No specific amount of employment counseling or conditions regarding such counseling are specified in the award.
- Employees in classification 7444 Parking Meter Repairer who are designated by their supervisor or foreman as a "lead" person shall be entitled to a \$5.00 per day premium when required to plan, design, sketch, layout, detail, estimate, order material, or take the lead on any job when at least two persons are assigned.
- Employees in classification 3320 Animal Keeper who are assigned to be in charge of their section in the absence of higher level supervision for an entire shift shall be paid a premium of \$5.00 per day. Such an "in charge" assignment will not entitle the employee to any tenure or proprietary interest in the assignment.
- Employees in classifications 3372 Deputy Animal Control Officer, 3370 Animal Care Attendant, and 1434 Shelter Service Representative who are assigned to be in charge of their division during the absence of higher level supervision for an entire shift shall be paid a premium of \$7.00 per day.
- Training/educational opportunities will be made available equitably to employees to increase the capacity of an employee to perform his/her job, and to update skills for all electronic, mechanical, and new technology. No specific

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

amount of training or further conditions regarding such training are specified in the award.

- As provided for in the arbitration award, classification 2462 Microbiologist will be added to the list of employees under this MOU who are entitled to 40 hours of educational leave annually.

Comments:

1. As noted above, these provisions of the arbitration award will become effective July 1, 1996.
2. The Controller has estimated that these provisions would result in "minimal costs, if any."
3. The Budget Analyst concurs with the Controller's estimate of the cost of these provisions.

Recommendation: Approve the proposed ordinance.

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting

Item 7 - File 64-96-3

Departments: Real Estate Department
Department of Social Services (DSS)

Item: Resolution authorizing a new lease of real property at 1650 Mission Street for the Department of Social Services (DSS).

Location: Portion of the second floor of 1650 Mission Street

Purpose of Lease: Office space for DSS's Adult Services and Administration Programs

Lessor: 1650 Mission Street Associates, a General Partnership consisting of Bank of California, Caisse Nationale De Credit Agricole, Dresdner Bank, A.G. and Bancario San Paolo

No. of Sq. Ft. and Cost Per Month: Approximately 39,120 square feet at \$1.35 per square foot per month, or \$52,812.50 per month

Annual Cost: \$633,750. Additionally, the proposed lease provides that DSS must pay its prorata share of any increase in real estate property taxes and operating costs over the base year 1996, the amount of which shall not exceed four percent of the previous year's monthly rent.

Term of Lease: The proposed lease would commence upon completion of tenant improvements, no later than August 1, 1996, and would expire on June 30, 2003 (approximately seven years).

Utilities and Janitor Provided by Lessor: Yes

Right of Renewal: The proposed lease contains two one-year options to renew at 95 percent of the fair market rent at that time. The Real Estate Department advises that the fair market rent would be determined through mutual negotiations between the City and the lessor.

Source of Funds: General Fund (36 percent or \$228,150 per year), State funds (27 percent or \$171,112 per year), and Federal funds (37 percent or \$234,488 per year). Included in DSS's FY 1996-97 proposed budget.

Description: DSS's MediCal Program currently occupies 43,846 square feet of space in a City-owned building located at 150 Otis Street. In 1993, the 150 Otis Street building received the second highest rank for vulnerability in a major earthquake

BOARD OF SUPERVISORS
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(3.0 on a scale of 4.0) in a study conducted by the Department of Public Works (DPW). As such, DSS plans to vacate the 150 Otis Street building and relocate the 179 DSS staff located at that site to a new, safer location.

In addition, DSS's Family and Children Services (FCS) Program currently occupies approximately 56,235 square feet of space at 1440 Harrison Street, which is leased by the City for DSS's use. Under a State-mandated program, DSS is required to begin automating FCS Program functions beginning in July of 1996. As part of this automation process, DSS will receive computer equipment from the State which must be operated in an air-conditioned facility. Because the 1440 Harrison Street site is not air-conditioned, it is necessary for DSS to relocate the 279 FCS Program staff to an air-conditioned facility. According to Ms. Rose Chow of DSS, it would be more costly for DSS to install air-conditioning equipment at 1440 Harrison Street than to relocate FCS staff to an existing DSS air-conditioned facility.

In order to (1) vacate the 150 Otis Street building, (2) provide an air-conditioned facility for the FCS Program and (3) locate related programs at the same site, DSS is planning to reorganize programs and staff at four of its existing sites, including 150 Otis Street and 170 Otis Street (both City-owned buildings) and 1440 Harrison Street and 1235 Mission Street (both sites leased for DSS's use).

Additionally, the proposed resolution would approve a new lease for office space for DSS, consisting of approximately 39,120 square feet of space on the second floor of 1650 Mission Street. The proposed new site will consist of private offices, cubicles, conference rooms and training facilities.

Specifically, DSS's reorganization plan would involve:

- relocating Adult Services Program and Administration Program staff from 170 Otis Street to the proposed new site at 1650 Mission Street site, in order to free up space at 170 Otis Street, an air-conditioned facility, for the FCS Program;
- relocating the FCS Program from 1440 Harrison Street to 170 Otis Street; and
- relocating the MediCal Program from 150 Otis Street to 1440 Harrison Street.

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The table below, provided by DSS, summarizes the number of staff currently located at each site and the number of staff to be located at each site under DSS's proposed reorganization plan.

<u>Name of Site</u>	<u>No. of Square Feet</u>	<u>No. of Staff Currently at this Site</u>	<u>No. of Staff at this Site under the Proposed Reorganization</u>	<u>Net Change in No. of Staff</u>
150 Otis St.	43,846	179	0	(179)
170 Otis St.	171,385	518	549	31
1440 Harrison St.	56,235	279	226	(53)
1235 Mission St.	124,493	378	378	0
1650 Mission St.	39,120	<u>0</u>	<u>201</u>	<u>201</u>
Total		1,354	1,354	0

Thus, in effect, the proposed new 1650 Mission Street site, which would be occupied by 201 DSS staff, would serve as a replacement site for 150 Otis Street, which is currently occupied by 179 DSS staff. The 1650 Mission Street site consists of 39,120 square feet, or 4,726 square feet (10.8 percent) less space than the 150 Otis Street site, which consists of 43,846 square feet.

Comments:

1. Mr. Steve Legnitto of the Real Estate Department advises that the monthly rent of \$1.35 per square foot or \$52,812.50 per month represents the fair market rent for the subject new lease.
2. Under the proposed lease, the lessor would provide any necessary tenant improvements at its sole cost. Such improvements consist of San Francisco Building Code, Title 24 and Americans with Disabilities Act (ADA) improvements, new carpet and paint, partitions and other improvements needed to meet DSS's needs, at an estimated cost of \$25 per square foot (approximately \$978,000) to the proposed lessor.
3. Through an Invitation for Bids (IFB) process, DSS plans to select a moving contractor to handle the relocation DSS employees, including the 201 employees that would be relocating to the proposed 1650 Mission Street site, at an estimated cost of \$189,000.

Additionally, the Department of Electricity and Telecommunications (DET) would be responsible for installing the necessary computer and telephone wiring at the new site and, if necessary, at DSS's other sites. Ms.

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Rose Chow of DSS advises that the estimated cost to install computer and telephone wiring at DSS's various sites has not yet been determined. However, according to Ms. Julie Murray Brenman of DSS, DSS expects to be able to absorb this cost in its current annual DET and telephone budget of \$1,130,723 and thus has not requested an increase in its budget for FY 1996-97.

4. According to Ms. Chow, DSS is currently in the process of collaborating with DPW in order to determine whether to (a) perform the seismic repairs needed at the City-owned 150 Otis Street building, (b) demolish the 150 Otis Street building, or (b) demolish the 150 Otis Street building and build a new building at that site. Ms. Chow advises that no source of funding has yet been identified to carry out any of these options. However, Ms. Chow advises that the preparation of legislation to place a bond measure on the November, 1997 ballot is currently under consideration.

5. In DSS's FY 1995-96 budget, \$415,000 (\$149,400 of which were General Fund monies) was placed on reserve by the Board of Supervisors for rent and moving expenses in order to vacate the existing 150 Otis Street site, pending the identification of a new site and the negotiation of a lease by the Real Estate Department. As the relocation will not take place until FY 1996-97, these funds will not be needed during FY 1995-96. According to Ms. Murray Brenman, DSS has requested that the Controller carry forward these funds to the FY 1996-97 budget so that they may be used to partially offset DSS's moving expenses related to the proposed reorganization and the rental costs at the proposed 1650 Mission Street site.

Recommendation: Approve the proposed lease.

Item 8 - File 172-96-8

- Department:** Department of Public Health (DPH), AIDS Office
- Item:** Resolution authorizing the Director of Public Health to enter into a subcontract in the amount of \$10,847 with the University of Texas Medical Branch at Galveston (University) for the DPH to provide reports and information to the University related to a study which the University is conducting of Host Lymphocyte Resistance to HIV-1. The subcontract would include an agreement to indemnify the University of Texas Medical Branch at Galveston.
- Contract Amount:** \$10,847 payable by the University of Texas Medical Branch at Galveston to the DPH to reimburse the DPH for providing the University with scientific and technical reports for the University's study.
- Contract Period:** Retroactive from September 15, 1995 through August 31, 1996 (11 1/2 months)
- Description:** According to Mr. Paul O'Malley of the DPH AIDS Office, the University of Texas Medical Branch at Galveston (University) is conducting a Federally funded study entitled "Host Lymphocyte Resistance to HIV-1." The purpose of the study is to analyze blood samples of individuals who are HIV positive, and who have remained resistant to the progression of their illness over an uncommonly long time period.
- The proposed resolution would authorize the Department of Public Health to enter into a subcontract with the University of Texas Medical Branch at Galveston, in order for the DPH to provide the University with scientific and technical reports related to the blood samples of HIV positive individuals residing in San Francisco who are participating in the study. In addition, the proposed resolution would authorize the DPH to hold the University harmless from liability for damages arising out of negligent acts occurring in relation to DPH's subcontract responsibilities.
- Budget:** The subcontract amount of \$10,847, payable to the DPH includes (a) \$8,990 for one 2232 Senior Supervising Physician Specialist over a one month period, and (b) \$1,857 for Fringe Benefits. The 2232 Senior Supervising Physician Specialist position is entirely grant funded.
- Comments:** 1. As noted above, the DPH entered into the proposed subcontract on September 15, 1995. Therefore, the proposed

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resolution should be amended to authorize the Department to enter into the proposed subcontract retroactively.

2. Ms. Paula Jesson of the City Attorney's Office, advises that the proposed indemnification provision would involve minimal risk to the City, and that it is reasonable for the City to indemnify the University of Texas Medical Branch at Galveston for the purposes of the subject subcontract.

Recommendations: 1. Amend the proposed resolution to authorize the Department to enter into the proposed subcontract retroactively.

2. We recommend approval of the proposed resolution as amended, except that we consider indemnification provisions to be policy matters for the Board of Supervisors.

Item 9 - File 172-96-9

Department: Department of Public Health (DPH)

Item: Resolution authorizing the Director of Public Health to execute a contract in the amount of up to \$20,000 with the University of Washington for the DPH to collect and submit Sexually Transmitted Disease (STD)/HIV prevention data to the University of Washington for the University's study of the impact of health care reform on STD/HIV prevention activities. The contract would include an agreement to indemnify the University of Washington.

Contract Amount: Up to \$20,000 payable by the University of Washington to the DPH to reimburse the DPH for providing the University with STD/HIV prevention data.

Contract Period: June 3, 1996 through June 2, 1997

Description: According to Ms. Wendy Wolf of the DPH, the University of Washington is conducting a Federally funded study to monitor the impact of health care reform on STD/HIV prevention activities by analyzing data on STD/HIV occurrences and trends in Washington, Hawaii, and the City and County of San Francisco.

The proposed resolution would authorize the Department of Public Health to execute a contract with the University of Washington, in order for the DPH to provide the University with an analysis of the occurrence and trends of STD/HIV infection in San Francisco. In addition, the proposed resolution would authorize the DPH to hold the University of Washington harmless from liability for damages arising out of negligent acts occurring in relation to DPH's contract responsibilities.

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Budget:

The proposed budget is as follows:

<u>Personnel</u>	<u>FTE</u>		
2803 Epidemiologist	.05	\$3,058	
1424 Clerical	<u>.10</u>	<u>4,602</u>	
Subtotal Personnel		\$7,660	
Fringe Benefits @ 19 percent		<u>1,455</u>	
Total Personnel	.15		\$9,115
<u>Operating Expenses</u>			
Equipment (including one printer @ \$1,001 and two computers @ \$1,926 each)		\$4,853	
Rent (offsets the total annual rent of \$74,064 for DPH, STD Prevention Control Program Offices located @ 1360 Mission Street)		1,000	
Telephone		500	
Postage		500	
Photocopying		250	
Travel (including four trips to University of Washington @ approximately \$563 per trip for airfare and lodging for one staff member)		<u>2,250</u>	
Subtotal Operating Expenses			<u>9,353</u>
Total Direct Costs			\$18,468
Indirect Costs (20 percent of personnel)			<u>1,532</u>
TOTAL			\$20,000

Indirect Costs: \$1,532 (20 percent of personnel)

Comment: Ms. Paula Jesson, of the City Attorney's Office, advises that the proposed indemnification provision would involve minimal risk to the City, and that it is reasonable for the City to indemnify the University of Washington for the purposes of the subject contract.

Recommendation: We recommend approval of the proposed resolution, except that we consider indemnification provisions to be policy matters for the Board of Supervisors.

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Item 10 - File 172-96-10

Item: Resolution exempting from the prevailing wage provision of Charter Section 7.204 a contract between the City and the San Francisco Conservation Corps to provide fire hazard reduction activities for the San Francisco Water Department.

Description: In November of 1995, the voters approved Proposition D, a Charter Amendment which authorizes the Board of Supervisors to exempt certain City contracts from the Charter's prevailing wage requirement. Under Proposition D, an exemption to the prevailing wage requirement is permitted, with approval of the Board of Supervisors, for a contract under which the work is to be performed by a non-profit organization that provides job training and work experience for disadvantaged individuals, and that has a Board of Directors appointed by the Mayor.

The proposed resolution finds that an ongoing contract between the San Francisco Water Department and the San Francisco Conservation Corps (SFCC) under which the SFCC, a non-profit organization, removes brush and grass on Water Department property for fire prevention purposes meets the Proposition D criteria specified above, and therefore grants an exemption to the Charter's prevailing wage requirement for this contract.

The Water Department advises that this contract is ongoing, and that the amount paid to the SFCC varies from year to year according to the funds available for this purpose in the Water Department's annual budget as approved by the Board of Supervisors. For FY 1995-96, the amount to be paid to the SFCC under the contract for brush removal is approximately \$60,000. The wages paid by the SFCC to their staff are set by the SFCC.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 11 - File 172-96-12

Department: Public Transportation Commission (PTC)

Item: Resolution authorizing the Municipal Railway (MUNI) to modify an existing contract with Breda Costruzioni Ferroviarie S.p.A.

Amount: \$86,433,175

Source of Funds: A combination of Federal, State, Regional and Local transportation funds (see Comment No. 1)

Description: In November of 1991, the Board of Supervisors approved a resolution (Resolution 984-91) authorizing the Public Utilities Commission (PUC) to enter into an agreement with Breda Costruzioni Ferroviarie S.p.A. of Italy to manufacture and sell to the City 35 light rail vehicles (LRVs) for the City's expanded fixed rail network. The amount of this contract was \$82,087,695, which consisted of \$72,765,000 for the purchase of 35 LRVs at a price of \$2,079,000 each, plus \$9,322,695 for related costs such as tooling, spare parts, training, manuals and testing equipment. The contract included an option to purchase up to 20 additional LRVs within one year of the execution of the contract, or by December 4, 1992, at a price of \$2,197,000 per LRV.

The Board of Supervisors subsequently approved two resolutions (Files 172-92-22 and 172-92-22.1), which authorized the PUC to modify the contract with Breda Costruzioni Ferroviarie S.p.A. in order to (1) exercise the foregoing option by purchasing nine additional LRVs and (2) extend the expiration date for the option to purchase the remaining 11 LRVs (20 less nine) to December 4, 1993. These two contract amendments also increased the amount of the contract by \$19,773,000 (nine LRVs at \$2,197,000 each), from \$82,087,695 to \$101,860,695.

In December of 1993, the PUC and Breda Costruzioni Ferroviarie S.p.A. agreed to a third contract modification which provided for (1) the purchase of eight additional LRVs before the expiration of the option on December 4, 1993 at a cost of \$2,197,000 each, for a total cost of \$17,576,000 and (2) the acquisition of additional tooling, spare parts, training, manuals and testing equipment at an additional cost of \$2,991,083, for a total additional cost of \$20,567,083. According to Ms. Elaine Cartwright of the Public Transportation Commission (PTC), this third contract modification was not approved by the Board of Supervisors at

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that time because an option to purchase these additional LRVs had been included as part of the original contract and because funds had already been appropriated for the purchase. Additionally, Ms. Cartwright advises that, at the time, there was some uncertainty regarding whether Board of Supervisors approval was required to execute the purchase. The option under the Breda contract expired on December 4, 1993.

Subsequently, PTC and Breda agreed to two further contract modifications (Contract Modifications No. 4 and 5), which provided for additional structural tests and other various technical changes and which resulted in an additional cost of \$162,600. However, because the cost of each of these two contract modifications was less than \$1 million, Board of Supervisors approval was not required, pursuant to Section 1.28 of the Administrative Code.

The proposed resolution would authorize the PTC to further modify the existing contract with Breda Costruzioni Ferroviarie S.p.A. as follows:

- increase the contract amount by \$20,729,683 (\$20,567,083 plus \$162,600) in order to reflect the provisions of Contract Modifications No. 3, 4 and 5, as described above;
- under Contract Modification No. 6, purchase an additional 25 LRVs, at a cost of \$2,434,812 each or a 10.8 percent increase over the previous unit price of \$2,197,000 per LRV, for a total cost of \$60,870,300;
- purchase spare parts in the amount of \$100,000 per vehicle for the 25 new LRVs, for a total additional cost of \$2,500,000;
- implement various technical design modifications related to vehicle performance and safety that were outside of the scope of the original contract, resulting in an additional cost of \$2,333,192;
- provide for vehicle delivery extensions and other technical changes; and
- increase the contract amount by \$65,703,492 (\$60,870,300 plus \$2,500,000 plus \$2,333,192) in order to reflect the provisions of Contract Modification No. 6.

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In summary, the proposed resolution would amend the existing contract with Breda Costruzioni Ferroviarie S.p.A. as shown in Table I below:

<u>Table I</u> <u>Description</u>	<u>Cost per</u> <u>LRV</u>	<u>No. of</u> <u>Breda LRVs</u>	<u>Cost</u>	
<i>Current Contract</i>				
LRVs	\$2,079,000	35	\$72,765,000	
Related Costs			<u>9,322,695</u>	
Subtotal - Original Contract				\$82,087,695
Contract Modifications No. 1 & 2	2,179,000	9		<u>19,773,000</u>
Subtotal - Current Contract				\$101,860,695
<i>Contract Modification No. 3*</i>				
LRVs	\$2,197,000	8	\$17,576,000	
Related Costs			<u>2,991,083</u>	
Subtotal				20,567,083
<i>Contract Modifications No. 4 & 5</i>				
Additional Structural Tests				162,600
<i>Contract Modification No. 6*</i>				
LRVs	\$2,434,812	25	\$60,870,300	
Spare Parts			2,500,000	
Design Modifications			<u>2,333,192</u>	
Subtotal		—		<u>65,703,492</u>
Totals - Amended Contract*		77		<u>\$188,293,870</u>

* Subject of proposed resolution.

** In addition, as identified in Comment No. 1 below, the project includes \$16,716,874 in project support costs, \$528,000 for contingencies, \$8,545,600 for on-board signal equipment and \$16,521,914 for sales tax, resulting in a total project cost of \$230,606,258.

Comments: 1. Table II below, as provided by the PTC's Finance Bureau, summarizes the sources of funding and expenditures relating to the LRV contract with Breda Costruzioni Ferroviarie:

<u>Table II</u> <u>Sources of Funding</u>	
Federal Transit Administration (FTA) Section 3 Grant Funds	\$81,896,456
FTA Section 9 Grant Funds	888,126
Federal Congestion Mitigation Funds	4,514,000
Federal Highway Administration (FHWA) Surface Transportation Program Funds	37,443,166
State Transit Capital Improvement Funds	14,961,412
State Rail Bonds	42,438,356
Bridge Tolls, AB 664	2,230,212
Bridge Tolls, Regional Measure I	3,792,854

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SF Municipal Railway Improvement Corporation	\$37,600
Transit Impact Development Fee	13,434,076
Transportation Authority Sales Tax Revenues	20,970,000
Other Local Funds - Various Resources	<u>8,000,000</u>
Total - Sources of Funding	<u>\$230,606,258</u>

Project Expenditures

Project Support Costs:

Specification and Bid Process	\$1,122,198	
Purchasing Contract Consultant (Booz-Allen and Hamilton)	8,435,176	
MUNI Purchasing Support	<u>7,159,500</u>	
Subtotal		\$16,716,874

Hard Contract Costs:

Purchase of 35 Light Rail Vehicles (LRVs)	\$72,765,000	
Purchase of 9 Additional LRVs (Contract Modifications No. 1 & 2)	19,773,000	
Purchase of 8 Additional LRVs (Contract Modification No. 3)	17,576,000	
Purchase of 25 Additional LRVs (Contract Modification No. 6)	60,870,300	
Tooling	6,695,580	
Spare Parts	8,306,662	
Training	348,283	
Manuals	852,243	
Test Equipment	<u>1,106,802</u>	
Subtotal		188,293,870

Contingency	528,000	
On-Board Signal Equipment	<u>8,545,600</u>	
Subtotal		\$214,084,344
Sales Tax		<u>16,521,914</u>

Total Project Expenditures	<u>\$230,606,258</u>
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2. Ms. Gail Bloom of PTC advises that the \$20,567,083 for the purchase of eight additional LRVs and related materials under Contract Modification No. 3 was funded with a combination of the Federal, State, Regional and Local transportation funds shown in Table II above. As the purchase of these eight additional LRVs and related materials has already occurred without Board of Supervisors approval, the proposed resolution should be amended to provide for retroactivity.

3. Ms. Bloom advises that the PTC intends to fund the \$65,703,492 for the purchase of 25 additional LRVs and related materials under Contract Modification No. 6 with a combination of the Federal, State, Regional and Local transportation funds shown in Table II above. Ms. Bloom

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further advises that PTC has placed an order to Breda Costruzioni Ferroviarie S.p.A. for the additional 25 LRVs, spare parts and other materials but is withholding a notice to proceed with the purchase until the Board of Supervisors approves the subject resolution.

4. MUNI's original fleet of 128 LRVs were purchased from Boeing in the late 1970s and early 1980s. However, because the Boeing LRVs have had a troubled maintenance history, only 101 Boeing LRVs are currently in operation. Ms. Cartwright advises that none of the 52 Breda LRVs purchased thus far are yet in service but that MUNI hopes to begin operating Breda LRVs starting in September of 1996.

As reflected in Table I above, the proposed resolution would result in an increase in MUNI's Breda LRV fleet to a total of 77 LRVs. MUNI plans to gradually replace the remaining 101 Boeing LRVs currently in operation with new LRVs, including at least 77 Breda LRVs. According to MUNI's Short Range Transit Plan, it is anticipated that by 1998, the 101 remaining Boeing LRVs will have been completely replaced and that MUNI's LRV fleet will consist of 136 new LRVs, including at least 77 Breda LRVs, subject to approval of the proposed resolution.

5. According to Ms. Bloom, the PTC elected to modify the existing contract with Breda Costruzioni Ferroviarie S.p.A. rather than undertaking a competitive bid process in order to purchase the 25 additional LRVs and related materials because (a) the Federal Transit Administration (FTA) concurred that the negotiated price was fair and reasonable and conformed to established guidelines for inflation and cost escalation increases; (b) no other vendor could supply these 25 LRVs within the same time frame as Breda; and (c) purchasing a third brand of LRVs (in addition to Boeing and Breda) would create numerous administrative, logistical and operating problems for MUNI due to new and different training, maintenance and parts inventory requirements.

- Recommendations:**
1. Amend the proposed resolution to provide for retroactive approval.
 2. Approve the proposed resolution, as amended.

Item 12 - File 172-96-13

- Department:** Public Utilities Commission (PUC)
Water Department
- Item:** Resolution authorizing the General Manager of the Public Utilities Commission to execute a Mutual Aid Agreement with other water agencies in State Office of Emergency Services (OES) Region 2.
- Description:** The Public Utilities Commission requests to enter into a Mutual Aid Agreement with other water agencies in State Office of Emergency services (OES) Region 2. The Water Agency Response Network (II-WARN) was created to develop Mutual Aid Agreements between water agencies in Alameda, Contra Costa, Del Norte, Humboldt, Lake, Marin, Mendocino, Monterey, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano, and Sonoma counties. II-WARN has prepared a 1996 Omnibus Mutual Aid Agreement (the "II-WARN Agreement") that sets forth the mutual covenants, procedures, and responsibilities of agencies entering into such a Mutual Aid Agreement.
- Such mutual aid agreements are authorized by the California Emergency Services Act, California Government Code Section 8550. On April 9, 1996, the Public Utilities Commission adopted Resolution 96-0068 requesting that the Board of Supervisors authorize the General Manager of the Public Utilities Commission to execute the II-WARN 1996 Omnibus Mutual Aid Agreement governing procedures for mutual assistance between water agencies in times of emergency.
- Under the terms of the II-WARN Agreement, one agency may call upon any or all of the other agencies in the event of an emergency, such as an earthquake or other natural disaster, for assistance in the form of personnel, equipment and materials. No party receiving a request for assistance (the "Lender") is obligated to provide any assistance or incur and liability for not complying with the request.
- The party that requests assistance (the "Borrower") agrees to reimburse the Lender on terms varying with the type of resources provided. Loans of equipment by Lender must be returned by Borrower within 24 hours after receipt of oral or written request by Lender. Equipment must be returned in its original condition, and all repairs, refueling and maintenance of such equipment must be performed by Borrower at Borrower's expense. Borrower shall reimburse

Lender in kind or at actual replacement cost for expendable or non-returnable supplies. Personnel provided to Borrower by Lender must be paid for by Borrower at Lender's full cost, including 1) employee's full salary or hourly wage plus fringe benefits and overhead, 2) housing and food expenses, and 3) all direct and indirect costs associated with workers' compensation claims, consistent with Lender's personnel union contracts or other conditions of employment.

According to the terms of the II-WARN 1996 Agreement, the Borrower holds harmless and indemnifies the Lender against all claims or losses related to the Lender's provision of emergency aid.

Comments:

1. The PUC was previously authorized by the Board of Supervisors on September 20, 1994, to enter into a Mutual Aid Agreement with these Region 2 water agencies (Resolution 94-0209). The II-WARN 1996 Omnibus Mutual Aid Agreement supersedes the previous Mutual Aid Agreement. Mr. Greg Tom of the Water Department reports that II-WARN 1996 Omnibus Mutual Aid Agreement is an updated version of the previous Mutual Aid Agreement.

2. The proposed agreement includes a hold harmless clause that would indemnify and hold harmless the water agency providing the mutual aid from all claims, loss, damage, injury and liability that directly or indirectly arises from the agencies which receive mutual aid. The City Attorney's Office has reviewed the proposed Agreement and has approved it as to form, including the hold harmless clause.

3. Mr. Tom reports that under this Agreement, if there were a disaster in San Francisco, and another agency in the Mutual Aid Agreement were to provide aid to the City, then the San Francisco Water Department would reimburse such agency for its aid. Mr. Tom reports, however, that the Water Department would have to pay for emergency aid with or without the Mutual Aid Agreement, but the Agreement serves to facilitate the immediate provision of aid. In addition, Mr. Tom reports that in event of such a disaster, the Federal Emergency Management Agency (FEMA) typically provides approximately 94 percent of funds needed for disaster aid.

Recommendation: We recommend approval of the proposed resolution, except that we consider the hold harmless provision for purposes of indemnification to be a policy matter for the Board of Supervisors.

Item 13 - File 144-96-1

Department: Port of San Francisco

Item: Resolution a) amending Resolution 778-93, by authorizing the Executive Director of the Port of San Francisco to retroactively apply for, accept and expend \$2,478,000 from the Federal Highway Administration for the Track Rehabilitation Project on the Peninsula Corridor Mainline and b) releasing \$700,000 of reserved funds for the purchase and installation of the Digicon Signalization System.

Grant Amount: \$2,478,000, of which \$700,000 of reserved funds is being requested for release.

Grant Period: Retroactively from February, 1996 to July, 1997

Source of Funds: Federal Highway Administration (FHWA). Federal grant funds in the amount of \$2,478,000 from the Federal Transit Administration (FTA) have been previously approved by the Board of Supervisors in Resolution 778-93 (File 144-93-5). However, the proposed resolution would amend Resolution 778-93 (File 144-93-5) to change the funding source of the grant from the FTA to the Federal Highway Administration (FHWA) as described below.

Project: Track Rehabilitation Project

Description: In September, 1993, the Board of Supervisors authorized the Port of San Francisco to apply for, accept and expend \$8.5 million in Federal grant funds, which included \$2.4 million in Federal Transit Administration (FTA) funds (File 144-93-5), and reserved all \$8.5 million of these grant funds pending the selection of contractors, consultants, the determination of MBE/WBE status and finalized cost details. These grant funds were to be used for various capital improvement projects on the Peninsula mainline designed to improve the safety and efficiency of (a) single haul freight service, and (b) the Caltrain passenger trains to and from the marine terminals.

Subsequent to the approval of this resolution (File 144-93-5), the Port reevaluated its service needs. As a result, the scope and the funding source of the proposed Track Rehabilitation Project were changed. The project's funding source changed to FHWA funds available under the Intermodal Surface Transportation Efficiency Act (ISTEA), rather than the FTA funds originally approved by the Board of Supervisors. Attachment 1 provided by the Port explains the change in the

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project scope. As explained on Attachment 1, the scope of the project changed because of changing market conditions in the shipping business for certain types of rail service, and because of environmental review issues which would have required additional funding.

The proposed resolution would amend Resolution 778-93 (File 144-93-5) to provide the necessary legislative changes to reflect the change in funding source. In addition, the proposed resolution would provide for the release of \$700,000 of reserved funds.

The proposed grant funds would be utilized for the purchase and installation of a DIGICON signalization system. The DIGICON signalization system is a software package, which is proprietary in nature, and would reduce conflicts between commuter and freight trains. The software would improve and coordinate signaling activities for freight and cargo services linking train services to the Port's marine terminals (see Attachment 2 for an explanation of this system).

Budget:

Although the proposed resolution specifies that \$700,000 in reserved funds are being requested for release, the Port is now requesting that \$619,500 in reserved funds be released, since the balance will be funded using matching funds (See below - State Proposition 116 bond funds). The requested \$619,500 in reserved funds would be utilized as follows:

DIGICON Software System

Based upon a fixed price
which includes installation
and contingencies.

\$601,800

Joint Powers Board (JPB) Staff Costs

(295 hours @ \$60 hour)

17,700

Total Requested Reserved Funds

\$619,500

Required Match:

\$322,000 funded through State Proposition 116 Clean Air & Transportation Improvement Program - bond funds allocated to the JPB.

Indirect Costs:

None. Indirect costs may not be funded with FHWA funds, as specified in Resolution 778-93 (File 144-93-5).

Comments:

1. According to Ms. Veronica Sanchez of the Port, the Track Rehabilitation Project will be administered and managed by the JPB consisting of engineering, design, and contract administration activities. Ms. Sanchez indicates that existing

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JPB staff would be utilized for the project. The JPB is a regional independent transportation agency representing San Francisco, San Mateo and Santa Clara Counties.

2. The \$601,800 in reserved funds for the software system would be provided on a sole-source basis to Digicon Signalization System, to purchase and install a signalization package to coordinate commuter and freight trains. Attachment 3 provided by the JPB indicates that because of the highly specialized nature of the product, and in order to maintain consistency with the existing Caltrain system, the JPB would utilize its existing vendor.

- Recommendations:**
1. Amend the proposed resolution by reducing the amount of the requested release of \$700,000 in reserved funds by \$80,500 to \$619,500.
 2. Approve the proposed resolution as amended.



PORT OF SAN FRANCISCO

MEMORANDUM

November 8, 1995

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TO: MEMBERS, PORT COMMISSION
Hon. Preston Cook, President
Hon. Frankie G. Lee, Vice President
Hon. Anne Halsted
Hon. Francis J. O'Neill
Hon. Michael Hardeman

FROM: Dennis P. Bouey *DPB*
Executive Director

SUBJECT: Authorization for the Executive Director to Execute a Funding Cooperative Agreement with the Peninsula Joint Powers Board for Administration of a grant from the Federal Highway Administration under the Intermodal Surface Transportation Efficiency Act for the Track Rehabilitation Project on the Peninsula Corridor Mainline

DIRECTOR'S RECOMMENDATION: APPROVE ATTACHED RESOLUTION TO EXECUTE THE COOPERATIVE FUNDING AGREEMENT WITH THE PENINSULA CORRIDOR JOINT POWERS BOARD FOR THE TRACK AND REHABILITATION PROJECT.

Double Track
On April 22, 1992, by Resolution No. 92-39, the Port Commission authorized staff to apply for Federal funds through the Intermodal Surface Transportation Efficiency Act (ISTEA) and/or other transportation grant programs for infrastructure improvements needed to provide rail access to double stacked rail cars from the Port's marine terminals to inland destinations in the United States. The project, commonly referred to as the "Tunnel Project" was awarded \$6.5 million in ISTEA funds from MTC and the San Francisco Transportation Authority.

→ The "Tunnel Project" also included improvements to the track and signalization system on the Peninsula Corridor mainline to avoid conflicts between passenger and freight trains. These improvements were to be funded with monies available to the City and County of San Francisco from the Federal Transit Administration under the Interstate Transfer Program (Title 23).

On March 4, 1994, by Resolution No. 94-38, the Port Commission, approved a Memorandum of Understanding with the Peninsula Corridor Joint Powers Board allowing the Port to use \$1.8 million of Title 23 funds available to the JPB for use for projects within the City and County of San Francisco for this project. The MOU specified terms for project design, construction grant administration and reimbursement of costs to the JPB.

THIS PRINT COVERS CALENDAR ITEM NO. 3B

On February 28, 1995, by Resolution No. 95-15 the Port Commission authorized staff to withdraw the Port's application for Federal transportation grants that would fund the improvements necessary to provide double stacked rail car access to inland destinations in the United States because changing market conditions in the shipping business impacted the Port's ability to compete for cargo dependant on double stack rail service. Unforeseen environmental review issues also developed which required investment of additional port funds studies and made it difficult to deliver this project within the deadline set by MTC.

The Port Commission also directed staff to work with the San Francisco County Transportation Authority and MTC to ensuring that funds originally programmed for this project could be designated to another project with intermodal benefits to the Port.

Staff has worked with the funding agencies on ways to retain these funds and proposed downscoping the "Tunnel Project." The Port's funding request of ISTEA funds was reduced to \$2.4 million to cover the costs of the signalization and track related improvement on the mainline. While the Port is not proceeding with improvements for double stack rail access, the Port still needs efficient rail service for single rail cars to its shipping terminals. New cargo market niches are being pursued which will need freight service and the downscoped project enhances the Port's ability to compete for cargo business. The proposed improvements will alleviate the conflicts between commuter and freight trains on the Peninsula Corridor, correct deterioration along the mainline which may affect speed, frequency and length of freight trains serving the Port's marine terminals.

This project can be delivered on a timely basis because according to the Department of City Planning's Office of Environmental Review the project is in compliance with the California Environmental Quality Act (CEQA) based on the JPB's findings that the project is exempt as a Class I Categorical Exemption for rehabilitation of existing facilities. A Notice of Exemption was filed by the JPB on June 1, 1995 and a copy of the notice is attached.

In June 1995, MTC approved the Port's request to Board to proceed with this smaller project with \$2.4 million in ISTEA funds. As proposed in the Cooperative Funding Agreement approved by the Joint Powers Board on October 5, 1995 the Port will serve as the project sponsor and designated grantee for the ISTEA funds and the JPB will be appointed to apply for, obtain and expend the Federal funds. The JPB will be responsible for managing and delivering the project and will indemnify the Port for any claims resulting from the project. The Joint Powers Board will provide the matching funds and the Port of San Francisco will not need to incur any expenses related to this project will be the sole obligation of the JPB.

The agreement also requires the Port to indemnify the JPB for the Port's failure to act under the terms of the proposed agreement. Such acts primarily consist of transferring ISTEA funds to the JPB upon receipt by the Port.

The proposed agreement also opens up new funding opportunities for other Port projects because the JPB will relinquish its right to apply for Title 23 funds which had previously been earmarked for this component of this project. Staff will continue working with funding agencies to seek \$1,487,500 million of Title 23 funds for another Port project that may meet the criteria of the Title 23 Program.

Prepared by: Dennis P. Bouey
Executive Director

*Reasons
for
project
being
re-sequest.*



Peninsula Corridor Joint Powers Board

1250 San Carlos Ave., P.O. Box 3006, San Carlos, CA 94070-1306
(415) 508-6269 fax (415) 508-6281

May 9, 1996

Ms. Veronica Sanchez
Port of San Francisco
Manager of Legislative Affairs
Ferry Building, Embarcadero
San Francisco, CA 94102

Post-it® Fax Note	7671	Date	5/9/96	# of pages	2
To	Veronica Sanchez		From	Ian McAvoy	
Co./Dept	Port of S.F.		Co.	PCJPB	
Phone #		Phone #	(415) 508-6346		
Fax #	(415) 274-0412		Fax #		

Dear Veronica:

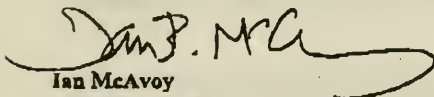
Per your request, following is additional information concerning the Digital Train Dispatching System, known as Digicon. "Digicon" is the name for a proprietary software which is used for the digital train traffic control system along the Caltrain corridor. It is necessary for the control of train movements between San Francisco and San Jose along the Peninsula Rail Corridor.

The Digicon system controls the switching of trains along the rail corridor by electronically controlling various interlockers and crossovers. The "Digicon" currently controls 12 interlockers or crossovers along the corridor - these are located between Brisbane and San Francisco, and Santa Clara and San Jose. The upgrade of the software and hardware of the train dispatching system is necessitated by the installation of additional interlockers along the rail corridor. It is assumed that the updated train control system will fulfill the PCJPB's train control needs for at least the next 10 years.

In addition, you requested additional information regarding the Staff and Overhead costs which were represented within the cash flow expenditure plan. Approximately 330 person/hours will be spent in the development and procurement of the Digicon Upgrade. This estimate include hours for Rail Services staff, an outside signal consultant, legal review, purchasing staff, and project development staff. 330 person/hours at approximately \$60/hour was the basis for the \$20,000 estimate.

If you have any additional questions, please call me at (415) 508-6346, or Carter Mau at (415) 508-6387.

Sincerely,


Ian McAvoy
Senior Planner

cc: Walt Stringer
George Cameron

¹ \$20,000 estimate includes \$17,700 in requested reserved Federal grant monies, and \$2,300 in matching funds.

MAY 07 '96 02:28PM PORT OF SF EXECUTIVE

P.2/3



Peninsula Corridor Joint Powers Board

1250 San Carlos Ave., P.O. Box 3006, San Carlos, CA 94070-1306
(415) 508-6269 fax (415) 508-6281

April 10, 1996

Ms. V. Sanchez
Manager of Legislative Affairs
Port of San Francisco
Ferry Building, Embarcadero
San Francisco, CA 94102

Dear Veronica:

I am writing to inform you that the JPB is currently reviewing the potential of pursuing a sole source contract for the purchase and installation of the DIGICON upgrade to be funded from ISTEAF funds which is subject to the recently executed MOU conditions. As I have mentioned in previous discussions on the issue, the DIGICON software package is propriety in nature, and involves the use of licensed software. The JPB currently utilizes this system for safety related purposes in operating the CalTrain system. Since this is a highly specialized product field, JPB staff feels that the competitive bid process would be unsuitable and is more expensive due to supplier and training costs.

If the project is recommended for sole source, it would remove the need for the formal procurement process and would negate the need for a Port Engineer to sit on a bid selection panel. As the MOU specifically states that the Port requests that a member of the Port staff be included in the bid selection team for all projects funded under the agreement, I thought it prudent to inform you at this early stage of this alternative procurement option which affects the above mentioned terms of the MOU.

Under the circumstances, I hope this proposal is acceptable to the Port. If you have any further questions, please call me at 415-508-6346.

Sincerely,

Ian McAvoy, Senior Planner

cc: Finance Department / Grant File / Walt Stringer

Item 14 - File 51-95-4.1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of February 13, 1996.

Item: This item is a hearing transmitting claims of City and County employees, from various departments for reimbursement for the cost of personal property, which was damaged or stolen in the line of duty.

Description: Section 10.25-1 of the Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property that has been damaged or destroyed in the line of duty without the fault of the City employees, subject to the approval of the Board of Supervisors. The Controller recommends reimbursement after reviewing the claim and after reviewing the Department Head's certification that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.

The subject claims of three employees were first reviewed by the Controller's Office in February of 1995 (File No. 51-95-4). The Controller's Office recommended that these three claims be returned to the Department (San Francisco General Hospital) for further processing. Of the three employee claims that have been resubmitted, the Controller's Office has denied one claim and has recommended that the other two claims be paid in full.

Comments: 1. The Controller has certified that funds are available for these employee reimbursements from the respective departments' FY 1995-96 operating budgets.

2. As shown in the Attachment, the Controller has recommended reimbursements totaling \$592.50 to two City and County employees.

Recommendation: Prepare in and report a resolution authorizing payment of the subject claims.

REIMBURSEMENT FOR DAMAGED OR STOLEN
PERSONAL PROPERTY OF CITY EMPLOYEES

Date: May 28, 1996
File No. 051-95-004.01

Department <u>Claimant</u>	Amount <u>Claimed</u>	Controller's <u>Recommended</u>	<u>Comments</u>
<u>San Francisco General Hospital</u>			
Lola Escobar	1,759.00	0.00	Stolen Purse. Department does not certify theft is related to performance of employee duties. Employee did not provide verification of theft.
Kelley Bracy	715.00	492.50	Stolen Purse. Loss occurred through no fault of employee. Reduce claim due to age of items & do not reimburse cash.
Susan Harmon	100.00	100.00	Torn Clothing. Loss occurred through no fault of employee and in performance of work related duties.
	<u>2,574.00</u>	<u>592.50</u>	

Item 15 - File 51-96-1

- Item:** This item is a hearing transmitting claims of employees, from various departments for reimbursement for the cost of personal property, of City and County employees, which was damaged or stolen in the line of duty in November and December of 1995 and January of 1996.
- Description:** Section 10.25-1 of the Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property which has been damaged or destroyed in the line of duty without the fault of the City employees. The Controller recommends reimbursement after reviewing the claim and after reviewing the Department Head's certification that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.
- Of the five employee claims submitted, the Controller's Office has recommended that one claim be returned to the Department (Parking and Traffic) for further processing, three claims be partially paid, and one claim be paid in full.
- Comments:**
1. The Controller has certified that funds are available for these employee reimbursements from the respective departments' FY 1995-96 operating budgets.
 2. As shown in the Attachment, the Controller has recommended reimbursements totaling \$1,172.27 to four City and County employees.
- Recommendation:** Prepare in and report out the resolution as submitted by the Controller's Office authorizing payment of the subject claims.

REIMBURSEMENT FOR DAMAGED OR STOLEN
PERSONAL PROPERTY OF CITY EMPLOYEES

Date: May 28, 1996
File No. 051-96-001

Department <u>Claimant</u>	Amount <u>Claimed</u>	Controller's <u>Recommended</u>	<u>Comments</u>
<u>Public Health</u> Pauline Birtwistle	1,068.00	500.00	Auto & property theft. Auto & contents used in performance of employee duties stolen through no fault of employee. Limit claim to amount uncovered by employee insurance deductible.
<u>Department of Public Works</u> Mark Watanabe	136.86	109.75	Auto break-in. Auto frequently used in performance of employee duties damaged through no fault of employee. Limit claim to amount uncovered by employee insurance deductible.
<u>CAO - Solid Waste</u> Natasha Stillman	353.88	100.00	Shattered auto window. Damage occurred to auto used in performance of employee duties through no fault of employee. Limit claim to amount uncovered by employee insurance deductible.
<u>Parking and Traffic</u> Adrienne Frazier	462.52	462.52	Auto hit/run incident. Automobile damaged while being used in the performance of employee duties. Allow full amount of claim because Department required employee to use automobile pending availability of CCSF vehicle.
	<hr/> 2,021.26	<hr/> 1,172.27	
Returned to Department for further processing:			
<u>Parking & Traffic</u> Daryl Robinson	1,433.12		Auto hit/run incident.

Item 16 - File 172-96-15

Department: District Attorney

Item: Resolution authorizing the District Attorney, Food Stamp Task Force Division, to amend an existing agreement with the State of California Department of Social Services, to include and extend the terms of the agreement beginning May 1, 1994, through December 31, 1996, to investigate food stamp trafficking.

Description: The Board of Supervisors previously approved a resolution authorizing the District Attorney to apply for, accept and expend funds from the State of California Department of Social Services to participate in an inter-county task force to deter illegal foodstamp trafficking (File 138-94-5). The State grant which funded this program has now been extended 6 months from its original expiration date of June 30, 1996 to a new expiration date of December 31, 1996. The proposed resolution would authorize the extension of the District Attorney's program in accordance with the extension of time for the State grant program.

The original State grant amount for the Food Stamp Trafficking Task Force was \$1,588,677, including personnel costs and other costs for the three counties which make up the Food Stamp Task Force (San Francisco, Santa Clara and Contra Costa). Although the time period for the Task Force is being extended, the amount of grant funds for the Task Force is not being increased. Therefore, the proposed resolution only provides for an extension of time to expend these State grant funds, and does not request authorization to expend additional funds. Ms. Charlene Puccini of the District Attorney's Office advises that because of the extension of time for the work of the task force, funds may be re-allocated within the existing grant budget.

Comments:

1. The Attachment is a copy of the Summary of Grant Request showing the budget for the Food Stamp Task Force. As noted above, the amount of State grant funds provided for the Task Force is unchanged.
2. The Disability Access Checklist for this grant program is in the Clerk of the Board's file.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item No. _____

Summary of Grant Request

Rev. 5/10/94

State of California
 Grantor Dept. of Social Services Division District Attorney
 Contact Person Rick Tibbetts (916)445-1624 Section _____
 Address Fraud Bureau, 744P Street, MS 19-26 Contact Person Bridget Bane
Sacramento, California 95814 Telephone 553-1895
 Amount Requested \$1,588,677.00 Application Deadline _____
 Term: From May 1994 To June 1996 Notification Expected _____
 Health Commission _____ Board of Supervisors: Finance Committee _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend; a (new) (continuation) (allocation) (augmentation) to a)
 (Circle appropriate words) grant in the amount of \$1,588,677 from the period of May 1994 to June 1996
 to provide investigation of food stamp trafficking _____ services.

II. Summary: (Concise summary of need addressed, number & groups served, services and providers)

The California Department of Social Services has made funds available to the District Attorney's Office to conduct investigations through the use of a joint investigative Task Force comprised of three Bay Area counties focusing on recipients, unauthorized buyers and the authorized and unauthorized retailers involved with trafficking of food stamps.

III. Outcomes/Objectives:

The goal is not only to conduct investigations, but also to promote the appropriate sanctions, disqualifications, and prosecutions of these violators.

IV. Effects of Reduction or Termination of These Funds:

The District Attorney's Office in San Francisco will be unable to vigorously investigate and prosecute food stamp trafficking.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount			<u>1,588,677</u>			
Personnel			<u>1,078,571</u>			
Equipment			<u>127,025</u>			
*Contract Svc.			<u>20,500</u>			
Mat. & Supp.			<u>19,500</u>			
Facilities/Space			<u>36,000</u>			
Other (Informant Fund)			<u>210,000</u>			
Indirect Costs			<u>97,081</u>			

VI. Data Processing

(none included above)

- 0 -

VII. Personnel

F/T CSC			<u>7 F.T.E.</u>		
P/T CSC					
Contractual					

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
None

Will grant funded employees be retained after this grant terminates? If so, How?

Grant funded employees will be retained ONLY upon continued source of funding.

*VIII. Contractual Services: Open Bid X Sole Source _____ (If sole source, attach Request for Exception Form)

Item 17 - File 186-96-3

Department: Chief Administrative Officer (CAO)

Item: Resolution authorizing the Chief Administrative Officer to enter into an operating and licensing agreement with Winston Taylor, Inc. for the development and operation of the San Francisco Affinity Pre-paid Telephone Card Program.

Description: The Board of Supervisors previously approved legislation (1) urging the CAO to examine proposals for the creation of an Affinity Telephone Service, including the option of creating a San Francisco pre-paid telephone card (File 186-95-97 and (2) authorizing the Clerk of the Board, upon the recommendation of the CAO, to approve the use of the City Seal on the face of San Francisco Affinity Pre-paid Telephone Cards (97-96-12).

The CAO, through its Request for Proposal (RFP) process, has selected Winston Taylor, Inc. to design, market, and sell a San Francisco Affinity Pre-paid Telephone Card. Winston Taylor, Inc. is not an MBE or WBE firm. Winston Taylor, Inc., which was one of four firms which submitted proposals to the CAO, was selected on the basis of its marketing plans, revenue share proposals and experience. The three other firms, which submitted proposals are H T Technology, Earthline Communications and Earthtel. Mr. Neal Taniguchi of the CAO's Office advises that none of these three firms are MBE or WBE firms.

Mr. Taniguchi advises that the CAO and Winston Taylor, Inc. have negotiated an Operating and Licensing Agreement (Agreement) for the development and operation of the San Francisco Affinity Pre-paid Telephone Card Program. The term of the Agreement is for 30 months. The City would have the right to extend the term of the Agreement up to three additional two-year periods,

The Agreement contains, in part, the following provisions:

(1) The City would grant and license to Winston Taylor Inc., the exclusive right to sell "official" San Francisco Affinity Prepaid Telephone Cards bearing the Seal of the City and County of San Francisco only as it applies to the sale of the Prepaid Telephone Cards through vending machines, retail outlets, and other specific programs spelled out in the Agreement. Under the Agreement, Winston Taylor exclusive rights does not extend to any other marketing or sale of pre-

BOARD OF SUPERVISORS
BUDGET ANALYST

paid telephone cards by the City not specified by the Agreement.

2) The City would receive royalties equal to 18.5 percent of the modified gross revenues generated from the actual sale of the San Francisco Affinity Pre-paid Telephone Cards and 45 percent of any additional revenue generated through other aspects of the San Francisco Affinity Pre-paid Telephone Card Program (Program), such as (1) "breakage" (residual) monies left on the pre-paid telephone cards and (2) monies from "recharges" on the pre-paid telephone card. Customers would have the option of adding additional long distance time, by using a credit card, to their existing pre-paid telephone cards. The Agreement defines "modified gross revenue" as gross revenue less (1) City commissions, if any, (2) the selling price of San Francisco Affinity Pre-paid Telephone Cards returned by customers and accepted for credit, (3) sums paid by Winston Taylor in the settlement of claims for loss or damage to these Pre-paid Telephone Cards, provided that such loss or damage was not caused by Winston Taylor and (4) the cost of any other license agreement paid by Winston Taylor to another entity in connection with the San Francisco Affinity Pre-paid Telephone Card Program, provided that such license agreement along with the cost, was approved in advance in writing by the City.

3). The City shall have the right to terminate this Agreement, subject to certain conditions, unless the City receives royalties from Winston Taylor, Inc. equal to \$750,000 during the first eighteen months of the Agreement or \$1,000,000 during the first year of any extension term of the Agreement.

4) The City may permit the San Francisco Visitors and Convention Bureau (Bureau) to participate in the Program, under a separate agreement, subject to approval by the City, between Winston Taylor and the Bureau.

5) The City has the right to approve or disapprove the design and appearance of all San Francisco Affinity Pre-paid Telephone Cards and the content of all advertising proposed for use in connection with the Program.

6) The City has the right to approve or disapprove the location of all vending machines used as outlets for the sale of the San Francisco Affinity Pre-paid Telephone Card, whether or not such vending machines are placed on City-owned property, and the City can require Winston Taylor to remove any such vending machines from any location for any reason.

Attachment I is a description of the vending machine specifications and a list of the initial proposed vending machine locations on City-owned property.

Mr. Taniguchi advises that the CAO's Office conservatively projects, based on sales of San Francisco Affinity Pre-paid Telephone Cards from 100 vending machines, that the City would receive an estimated \$478,358 in revenues annually.

Comments:

1. Mr. Taniguchi advises that Winston Taylor, Inc. would be responsible for the purchase, installation and maintenance of all vending machines, at no cost to the City.

2. According to Mr. Taniguchi, in addition to the vending machines, City-contracted concessionaires (e. g., at the Airport) would also be able to sell the San Francisco Affinity Pre-paid Telephone Cards.

3. Attachment II, provided by the CAO's Office, explains the basis of the annual revenue projected for the City and Winston Taylor from the sale of the San Francisco Affinity Pre-paid Telephone Cards, based on a preliminary estimate of sales from 100 vending machines. Mr. Taniguchi advises that the CAO's Office is unable to project the amount of revenue that would be received by Winston Taylor, Inc., at this time, because such revenues are, in part, dependent upon Winston Taylor's agreement with MCI, which is still in the process of being negotiated.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

EXHIBIT A

Vending Machine Specifications

Display options include counter top and pedestal models. The number of dispensing bins will effect the size of the dispenser. The dispenser dimensions are virtually the same whether mounted on a counter top or pedestal.

Most machines require standard electrical outlets ranging from 110 VAC to 240 VAC. The thickness of the metal ranges from 12 to 14 gauge steel.

All machines will meet ADA standards.

The range of options for standard equipment sizes can be summarized as follows:

Size of Dispenser	Single Bin		Double Bin		Triple Bin	Four Bin
	Smallest	Largest	Smallest	Largest		
Width	9"	19"	9"	26"	13"	28"
Height	20"	23"	20"	25"	20"	26"
Depth	10"	17 "	10"	12"	10"	16"
Weight	35	60	39	115	45	120
Pedestals						
Height	36"	36"	36"	39"	36"	39"
Total Height	56"	59"	56"	64"	56"	65"

Initial Proposed Vending Machine Locations on City Property

Line #	Site Type	Dept or Agency	S = 1 Bin M = Multi	Vending Machine Proposed Locations	Number of Units	Comments
	A	SFO Airport		The number of machines and locations to be determined in conjunction with the airport's commission and staff.		
	A	SF Port		The number of machines and locations to be determined in conjunction with the SF Port commission and staff.		
1	A	Academy Sci	S	Museum of Natural History	1	Gift Shop
2	A	Academy Sci	S	Steinhart Aquarium	1	Gift Shop
3	A	Academy Sci	S	Morrison Planetarium	1	Gift Shop
4	A	CAO	M	Moscone Center - South Hall	6	Business Center & Phone Banks
5	A	CAO	M	Moscone Center - Nr Esplanade Ballroom	1	
6	A	CAO	M	Moscone Center - North Lobby	2	Nr Elevator & Phones
7	A	CAO	M	Moscone Center - Lower Lobby Nr Phones	2	
8	A	CAO	M	Bill Graham Civic Auditorium	2	
9	A	CAO	M	Pier 39 - City Store	1	
10	A	Fine Arts	M	Palace of the Legion of Honor	2	Gift Shop
11	A	Fine Arts	M	GGP - de Young Museum -	1	Gift Shop
12	A	Rec & Park	M	New Ocean Beach Chalet	1	Gift Shop
13	A	Rec & Park	M	3 Com Park Concessions	8	
14	A	Rec & Park	M	3 Com Stadium Bar and Stadium Club	2	
15	A	Redevelop	M	Yerba Buena Center for the Arts	2	Gift Shop and Theatre
16	A	SF Library	M	SF Main Library	1	Gift Shop
17	A	War Memorial	M	Louise M. Davies Symphony Hall	3	
19	A	War Memorial	M	Veterans Building	2	
20	A	Muni	M	Cable Car Museum	1	Gift Shop
21	A	Muni	M	Embarcadero Station/BART	2	1st Level - Direction Change Equi
22	A	Muni	M	Montgomery Station/BART	2	1st Level - Direction Change Equi
23	A	Muni	M	Civic Center Station/BART	2	1st Level - Direction Change Equi
24	A	Muni	M	Powell Station/BART	2	1st Level - Direction Change Equi
25	A	Muni	M	Van Ness Station	2	
26	A	Muni	M	Forest Hill - Muni	2	
27	A	Muni	M	City College - Muni	2	
28	A	Muni	M	West Portal - Muni	2	
29	A	Muni	M	SF State - Muni	2	
30	A	Muni	M	Stonestown - Muni	2	
31	A	Park & Traf	M	Ellis & O'Farrell Garage	2	Pre-pay Ellis & O'Farrell
32	A	Park & Traf	M	Japan Center	1	Lobby near elevators
33	A	Park & Traf	M	St. Mary's Square	2	Lobby on Kearney & Calif
34	A	Park & Traf	M	5th & Mission Garage	1	Lobby near Pre-Pay
35	A	Park & Traf	M	Sutter Stockton Garage	2	Pre-Pay Stockton & Sutter
36	A	Park & Traf	S	Civic Center Garage	1	Lobby 1st Level
37	A	Park & Traf	M	Portsmouth Square Garage	1	Lobby Pedestrian Entrance
38	A	Park & Traf	M	Union Square Garage	2	Kiosk near Elevators
39	A	Park & Traf	S	Polk - Bush Garage	1	Near Cashier

Terms:

City	18.5% of gross 45% of breakage/recharges
Winston Taylor/Telephone Co.	81.5% of gross 55% of breakage/recharges
Total Annual Gross Revenues	\$1,800,000
Revenues to City	333,000
Net Revenues to Winston Taylor	*
Estimated Breakage	211,500
Revenues to City	95,175
Revenues to Winston Taylor	*
Estimated Recharges	111,517
Revenues to City	50,183
Revenues to Winston Taylor	*
Combined Revenues to City	478,358
Combined Revenues to Winston Taylor	*
Assumptions:	
7% of cards breakage/recharges	
120,000 cards sold	
100 vending machines	

* Under proposed MCI agreement, revenues to Winston Taylor are not known.

Item 18 - File 112-96-1

Department: Purchasing Department

Item: Resolution designating the San Francisco Examiner to be the official newspaper of the City and County of San Francisco for specified categories of advertising (Type 1), and designating the San Francisco Independent to be the official newspaper for other specified categories of official advertising (Type 2), commencing July 1, 1996.

Description: The City's official advertising is divided into two categories: (1) Advertisements for Two or More Consecutive Days (Type 1) - official advertising which must be published on two or more consecutive days, and all official advertising which is required to be published in accordance with Section 2.200 or 2.201 of the Charter for special meetings of the Board of Supervisors and its standing or special committees and (2) Advertisements for Single or Non-consecutive Days (Type 2) - official advertising which must be published one time, other than one-time advertising related to special meetings of the Board of Supervisors and its standing and/or special committees, or more than one time but not more than three times per week for a specified number of weeks.

The City currently contracts with the San Francisco Examiner for Type 1 official advertising and with the San Francisco Independent for Type 2 official advertising. These contracts are due to expire June 30, 1996.

The proposed resolution would designate the San Francisco Examiner as the newspaper to provide Type 1 official advertising and the San Francisco Independent to provide Type 2 official advertising, for the period July 1, 1996 through June 30, 1997.

According to the Purchasing Department, in response to its Invitation for Bids issued on March 12, 1996 the Purchasing Department received two bids for Type 1 official advertising and three bids for Type 2 official advertising. The two newspapers which submitted bids for Type 1 official advertising included the San Francisco Examiner, and the San Francisco Chronicle. The Purchasing Department reports that the three newspapers which submitted bids for Type 2 official advertising included the San Francisco Independent, the San Francisco Examiner and the San Francisco Chronicle. The bidders and the bid amounts are shown in the Attachment provided by the Purchasing Department.

BOARD OF SUPERVISORS
BUDGET ANALYST

Proposition J, which was approved by the San Francisco electorate in November of 1994, in part, changed the criteria by which the City selects a newspaper to publish the City's official advertising. The Purchasing Department advises that, under Proposition J, pursuant to Section 2.81 of the Administrative Code, several criteria are considered and used to evaluate bids, on the basis of a point system. Bidders are required to submit typeset samples and other documentation for evaluation purposes. The criteria used for evaluation of bids under Section 2.81 includes (1) the cost of advertising in each newspaper (the newspaper which bids the lowest price for advertising receives additional points), (2) the level of circulation of each newspaper (the newspaper with the largest circulation receives additional points), (3) the cost of the newspaper (any newspaper with a majority of circulation that is free of charge to the general public receives additional points), and (4) the ownership of the newspaper (newspapers which are owned by local, minority or women-owned firms receive additional points).

Based on the point system established in Section 2.81, the Purchasing Department is recommending that (1) the San Francisco Examiner be awarded the contract for the City's Type 1 official advertising, based on receiving the highest point total of 20.22 points and (2) the San Francisco Independent be awarded the City's Type 2 official advertising, based on receiving the highest point total of 27.57 points. The Attachment provided by the Purchasing Department contains the points evaluating data of the bidders.:

Comments:

1. The Purchasing Department's total estimated cost for Type 1 and Type 2 official advertising for FY 1996-97 is \$616,000 (\$29,000 for Type 1 plus \$587,000 for Type 2). The Purchasing Department advises that this estimate is based on the estimated number of lines of advertising multiplied by each newspaper's price per line.
2. The Purchasing Department states that the City Attorney has advised that the Board of Supervisors need not accept the Purchasing Department's recommendations to award contracts to the above-noted newspapers and may designate any newspaper which is qualified under the Charter and the Administrative Code.

3 .The Purchasing Department advises that, in accordance with Chapter 12B of the Administrative Code, the bidders for the City's official advertising were required to provide data on the composition of their workforces and to provide copies of their affirmative action plans. According to the Purchasing Department, all bidders complied with these requirements.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Exhibit B-1

FY 96-97 Bid Data and Point CalculationType 1, Consecutive Day

	Avail. Points	<u>Chronicle</u>		<u>Examiner</u>	
		<u>Data</u>	<u>Pts</u>	<u>Data</u>	<u>Pts</u>
Cost of Sample	15	\$665.04	8.19	\$363.12	15
Home Circ., SF	10	519,480	10	229,079	3.22
Price, if zero	5	50¢	0	25¢	0
Locally owned	2	yes	2	yes	2
Minority owned	2	no	0	no	0
Woman owned	2	no	0	no	0
Total	36		20.19		20.22
Ranking			2		1
Estimated cost			\$53,000		\$29,000

Type 2, Nonconsecutive Day

	Avail. Points	<u>Chronicle</u>		<u>Examiner</u>		<u>Independent</u>	
		<u>Data</u>	<u>Pts</u>	<u>Data</u>	<u>Pts</u>	<u>Data</u>	<u>Pts</u>
Cost of Sample	15	\$665.04	8.19	\$363.12	15	\$635.20	8.57
Home Circ., SF	10	260,217	8.18	83,949	2.64	318,156	10
Price, if zero	5	50¢	0	25¢	0	zero	5
Locally owned	2	yes	2	yes	2	yes	2
Minority owned	2	no	0	no	0	yes	2
Woman owned	2	no	0	no	0	no	0
Total	36		18.37		19.64		27.57
Ranking			3		2		1
Estimated cost			\$599,000		\$327,000		\$587,000

Notes

None of the bidders qualified for a bid preference under the MBE/WBE/LBE Ordinance.

Item 19 - File 112-96-2

Department: Purchasing Department

Item: Resolution designating the Small Business Exchange to be the outreach newspaper of the City and County of San Francisco for the African-American community; designating the Chinese Times to be the outreach newspaper for the Chinese community; and designating the El Latino to be the outreach newspaper for the Hispanic community, commencing on July 1, 1996, for outreach advertising.

Description: Proposition J, which was approved by the San Francisco electorate in November of 1994, provided, in part, for a Outreach Advertising Fund to be established for the purpose of placing weekly outreach advertisements in periodicals selected to reflect the diversity in race and sexual orientation of the population of the City. The Purchasing Department advises that pursuant to Proposition J, the Department issued an Invitation for Bids on March 12, 1996 for the City's outreach advertising. The issuance of the Invitation for Bids is in accordance with Section 2.80 of the Administrative Code, which finds that the City (1) wishes to maximize the public's access to public notices which are required to be published by law and (2) wishes to implement an aggressive outreach plan to meet the public information needs of those communities, and neighborhoods which may not be adequately served by the City's other designated newspapers for official advertising. The Purchasing Department received six bids in response to its Invitation for Bids. The Attachment provided by the Purchasing Department lists the bidders and the amounts bid.

The bids were evaluated by the Purchasing Department on the basis of certain criteria and a point system established under Section 2.81-3 of the Administrative Code. Bidders were required to submit typeset samples and other documentation for evaluation purposes. The criteria used for evaluation of bids under Section 2.81-3 includes (1) the advertising bid amount (the periodical which submits the lowest bid receives additional points), (2) the periodical's level of circulation (for each community, the periodical with the largest circulation receives additional points), (3) the cost of the periodical (any periodical with a majority of circulation that is free of charge to the general public receives additional points), (4) the ownership of the periodical (any periodical which is owned by a local, minority, or women-owned firm receives additional points), and (5) the foreign language content of the periodical (a periodical with a majority of its

BOARD OF SUPERVISORS
BUDGET ANALYST

editorial content published in the native language of the outreach community it serves receives additional points).

Based on the point system established in Section 2.81-3, the Purchasing Department is recommending that the Small Business Exchange, the Chinese Times, and the El Latino be awarded contracts for the City's outreach advertising, based on receiving the highest point totals. The Attachment provided by the Purchasing Department contains the point evaluation data of the bidders.

Comments:

1. Pursuant to Proposition J and in accordance with Section 2.81-2(a), the City is required to withhold 10 percent of the annual amounts paid for the City's Type 1 and Type 2 official advertising and to deposit these monies into the Outreach Advertising Fund. The Purchasing Department estimates that the annual cost for the City's Type 1 and Type 2 official advertising will be \$616,000. Based on the \$616,000, the estimated amount available for outreach advertising is \$61,600 or 10 percent of the \$616,000.

2. The Purchasing Department states that the City Attorney has advised that the Board of Supervisors need not accept the Purchasing Department's recommendations to award contracts to the above-noted periodicals and may designate any periodical which is qualified under the Administrative Code. Additionally, pursuant to Sections 2.80-1(b) and 2.81-4, the Board of Supervisors may specify additional outreach communities, and may authorize additional advertising for communities not adequately served by the City's official advertising and outreach periodicals.

The Purchasing Department reports that the Controller's Office has advised that there is a balance of approximately \$18,000 in the Outreach Fund.

4 .The Purchasing Department advises that in accordance with Chapter 12B of the Administrative Code, the bidders for the outreach advertising were required to provide data on the composition of their workforces and to provide copies of their affirmative action plans. According to the Purchasing Department, all bidders complied with these requirements.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Exhibit A

Bid Data and Point Calculation, by Outreach Community1. African American

	Avail. Points	Small Business Exchange	
		Data	Pts
Cost of Sample	15	\$9.66	15
Circulation, SF	10	1,500	10
Circulation, Comm		935	
Price, if free	5	no	0
Foreign language	5	no	0
Locally owned	2	yes	2
Minority owned	2	yes	2
Woman owned	<u>2</u>	no	<u>0</u>
Subtotal, Prop. J	41		29
MBE/WBE/LBE Pref.	10%	10%	<u>2.9</u>
Total			31.9
Ranking			1

Small Business Exchange was the only bidder for this category, and is the current outreach newspaper for this community.

2. Chinese

	Avail. Points	Chinese News		Chinese Times	
		Data	Pts	Data	Pts
Cost of Sample	15	Note 1	N/A	\$16.83	15
Circulation, SF	10	Note 2	0	1,600	10
Circulation, Comm		Note 2	0	1,600	
Price, if zero	5	50¢	0	50¢	0
Foreign language	5	yes	5	yes	5
Locally owned	2	no	0	yes	2
Minority owned	2	no	0	yes	2
Woman owned	<u>2</u>	no	<u>0</u>	no	<u>0</u>
Subtotal, Prop. J	41		N/A		34
MBE/WBE/LBE Pref.	10%	0%	<u>0</u>	10%	<u>3.4</u>
Total			N/A		37.4
Ranking			Note 1		1

Notes

1. The Chinese News was deemed nonresponsive because it did not submit the required typeset sample of an ad. The paper's other bid data is presented for information only.
2. Unable to determine, because the paper presented conflicting data.
3. Chinese Times is the current official outreach newspaper for this community.
4. Asian Week's submittal did not provide any information on which the City could evaluate the paper as a potential outreach newspaper.

3. Lesbian/Gay/Bisexual

No bids were received for this outreach community.

4. Hispanic

	Avail. Points	<u>El Mensajero</u>		<u>El Latino</u>	
		<u>Data</u>	<u>Pts</u>	<u>Data</u>	<u>Pts</u>
Cost of Sample	15	\$15.93	7.53	\$8.00	15
Circulation, SF	10	14,325	0	3,000	10
Circulation, Comm		14,325		3,000	
Price, if zero	5	zero	5	50c	0
Foreign language	5	yes	5	yes	5
Locally owned	2	no	0	yes	2
Minority owned	2	no	0	yes	2
Woman owned	<u>2</u>	no	<u>0</u>	Yes	<u>2</u>
Subtotal, Prop. J	41		N/A		36
MBE/WBE/LBE Pref.	10%	0%	<u>0</u>	10%	<u>3.6</u>
Total			N/A		39.6
Ranking			Note 1		1

Notes

1. El Mensajero's bid was nonresponsive because the paper is not printed in San Francisco. The paper's data is presented for information only.
2. El Latino is the current official outreach newspaper for this community.

Item 20 - File 47-96-3

Department: Department of Parking and Traffic

Item: Resolution approving a second amendment to the Portsmouth Square Public Parking Lease between the City and County of San Francisco and the San Francisco Portsmouth Plaza Parking Corporation, which provides for quarterly rather than annual payments of rent from the San Francisco Portsmouth Plaza Parking Corporation to the City, and strengthens the City's termination rights under the lease.

Description: The proposed resolution would amend a lease between the City and the San Francisco Portsmouth Plaza Parking Corporation, which operates the City-owned Portsmouth Plaza Garage, located at 733 Kearny Street.

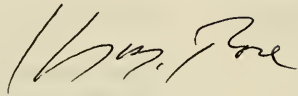
Currently, the lease provides for annual rent payments from the San Francisco Portsmouth Plaza Parking Corporation to the City. The proposed amendment would provide instead that rent payments would be made on a quarterly basis. For FY 1995-96, the amount of the annual rent payment is projected to be approximately \$775,000, and, for FY 1996-97, with estimated quarterly payments of approximately \$209,250, the total annual rent payment is projected to be approximately \$837,000. In addition, the proposed resolution would strengthen the City's right to terminate the lease between the City and the San Francisco Portsmouth Plaza Parking Corporation.

Comment: Mr. Kevin Hagerty of the Department of Parking and Traffic advises that because the provisions of this lease amendment are proposed as part of a settlement of litigation, this item must be heard in closed session, and additional information pertaining to financial matters and the City's termination rights regarding this lease will be provided to the Board of Supervisors at that time.

Recommendation: Because provisions of the lease amendment are proposed as a settlement of litigation, the Budget Analyst considers approval of the proposed resolution to be a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 14, 1996 Government Efficiency and Labor Committee Meeting



Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Teng
Supervisor Yaki
President Shelley
Supervisor Kaufman
Supervisor Alioto
Supervisor Bierman
Supervisor Hsieh
Supervisor Kennedy
Supervisor Leal
Clerk of the Board
Chief Administrative Officer
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

CALENDAR

SF

S90.31

#1

5/30/96

Addendum

GOVERNMENT EFFICIENCY & LABOR COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

MAY 24 1996

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RESCHEDULED MEETING

THURSDAY (MAY 30, 1996) 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE, ROOM 410

MEMBERS: Supervisors Tom Ammiano, Mabel Teng, Michael Yaki

CLERK: Mary Red

* * * * *

Disability Access

Both the Committee Room (Room 410) and the Chamber (Room 404) are wheelchair accessible. The closest accessible BART Station is Civic Center, four blocks from the Veterans Building. Accessible MUNI lines serving this location are: #42 Downtown Loop and the #71 Haight/Noriega and the F Line to Market and Van Ness and the METRO stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 923-6142.



There is accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex.



Assistive listening devices are available for use in the Meeting Room and the Board Chamber. A device can be borrowed prior to or during a meeting. Borrower identification is required and must be held by Room 308 staff.

The following services are available on request 48 hours prior to the meeting or hearing:
For American sign language interpreters or the use of a reader during a meeting, contact Violeta Mosuela at (415) 554-7704.

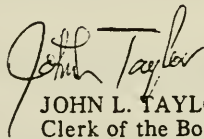
For a large print copy of an agenda, contact Moe Vazquez at (415) 554-4909.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

NOTICE OF RESCHEDULED MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Government Efficiency and Labor Committee for Tuesday, May 28, 1996, at 1:00 p.m., has been rescheduled to Thursday, May 30, 1996, at 1:00 p.m., in Room 410, Veterans Building, 401 Van Ness Avenue, San Francisco, California.


JOHN L. TAYLOR
Clerk of the Board

POSTED: MAY 21, 1996

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine, and will be acted upon by a single roll call vote. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed and considered as a separate item.
- (a) File 138-96-1. [Grant, Statutory Rape Vertical Prosecution Program] Resolution authorizing the District Attorney of the City and County of San Francisco to retroactively apply for, accept and expend grant funds not to exceed the amount of \$300,000 including indirect cost no to exceed the amount of \$15,000 made available through the California Office of Criminal Justice Planning for the operation of the "Statutory Rape Vertical Prosecution Program" for the twelve month period February 1, 1996 through January 31, 1997. (Supervisor Shelley)
- (b) File 138-96-2. [State Grant, Spousal Abuser Prosecution Program] Resolution authorizing the District Attorney of the City and County of San Francisco to retroactively apply for, accept and expend funds not to exceed \$132,000.00 with no indirect costs available through the California Department of Justice for a project entitled "Spousal Abuser Prosecution Program" for the six-month period January 1, 1996 through June 30, 1996. (Supervisor Shelley)
- (c) File 138-96-3. [State Grant, Automobile Insurance Fraud] Resolution authorizing the District Attorney of the City and County of San Francisco to retroactively apply for, accept and expend funds in the amount of \$300,000.00 including indirect costs of \$15,000.00 made available through the California Department of Insurance for a project entitled "The Investigation and Prosecution of Automobile Insurance Fraud" for the period of July 1, 1995 through June 30, 1996. (District Attorney)
- (d) File 138-96-4. [State Grant, Theft and Related Crimes] Resolution authorizing the District Attorney of the City and County of San Francisco to retroactively apply for, accept and expend funds in the amount of \$234,984, including indirect costs of \$11,749 made available through the California Department of Insurance for a project intended to facilitate the prosecution of theft and related crimes for the period of July 1, 1994 to June 30, 1996. (District Attorney)
- (e) File 138-96-5. [State Grant, Worker's Compensation Fraud] Resolution authorizing the District Attorney of the City and County of San Francisco to retroactively apply for, accept and expend funds in the amount of \$331,967.00 including indirect costs of \$15,808 made available through the California Department of Insurance for a project entitled "The Investigation and Prosecution of Worker's Compensation Fraud" for the period of July 1, 1995 through June 30, 1996. (District Attorney)
- (f) File 146-96-3.1. [Grant Amendment, State Dept. of Rehabilitation] Resolution authorizing the Department of Public Health, Division of Community Mental Health Services, to accept and expend a grant in the amount of \$201,997 from the State Department of Rehabilitation and to enter into a Cooperative Program Agreement and a Case Service Contract with the San Francisco Department of Rehabilitation District to provide vocational services to mentally-ill psychiatric clients, waiving indirect costs; rescinding Resolution No. 179-96. (See File 146-96-3) (Department of Public Health)

- (g) File 146-96-7. [State Grant, Solid Waste Facilities Program] Resolution authorizing the Department of Public Health, Bureau of Environmental Health Management, to apply for and accept and expend a grant of \$22,000, from the California Integrated Waste Management Board, for the support of the Bureau of Environmental Health Management, Local Enforcement Agency's solid waste facilities permitting and inspection program; waiving indirect cost. (Department of Public Health)
- (h) File 148-96-3. [Grant - Federal Funds] Resolution authorizing retroactively the Department of Public Works to apply for, accept and expend \$450,000 in Federal Funds for the Mission Street Lighting Project and waiving indirect costs. (Supervisors Leal, Kaufman, Bierman)

ACTION:

REGULAR CALENDAR

2. File 65-96-5. [Library Foundation Lease] Ordinance approving a memorandum of understanding between the San Francisco Public Library and the Library Foundation of San Francisco for use of space in the new Main Library building for the performance of library-related services, generation of revenues for Library Department purposes and assurance of private funds to provide support on an ongoing basis for the San Francisco Public Library system; and authorizing and approving certain agreements directly with the Library Foundation as contemplated by such MOU, including a lease of office space and an agreement giving the Foundation the right to manage the meeting rooms, auditorium and other space for private functions and special events and to charge fees for such uses. (Supervisors Kaufman, Alioto) (Continued from 4/9/96)

ACTION:

3. File 51-95-4.1. [Employee Claims of L. Escobar, K. Bracy and S. Harmon] Hearing to consider claims of Lola Escobar, Kelley Bracy and Susan Harmon (San Francisco General Hospital) for reimbursement for cost of personal property damaged or stolen in the line of duty. (Continued from 5/14/96)

ACTION:

4. File 51-96-1. [Employee Claims, Personal Property Damaged/Stolen] Hearing transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty. (Continued from 5/14/96)

ACTION:

5. File 112-96-2. [Outreach Newspapers, FY 1996-97] Resolution designating the Small Business Exchange to be outreach newspaper of the City and County of San Francisco for the African-American community; designating the Chinese Times to be outreach newspaper for the City and County of San Francisco for the Chinese community; and designating the El Latino to be outreach newspaper of the City and County of San Francisco for the Hispanic community, commencing July 1, 1996, for outreach advertising. (Purchasing Department) (Continued from 5/14/96)

ACTION:

6. File 93-94-22.2. [MOU – Physicians & Dentists Unit 8CC] Ordinance amending Ordinance No. 331-94 to implement the provisions of a mediated settlement dated April 24, 1996 between the Union of American Physicians and Dentists for Bargaining Unit 8CC and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION:

7. File 93-94-23.2. [MOU – Physicians & Dentists Unit 11 AA] Ordinance amending Ordinance No. 331-94 to implement the provisions of a mediated settlement dated April 24, 1996 between the Union of American Physicians and Dentists for Bargaining Unit 11AA and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION:

8. File 93-94-29.2. [MOU Amendment, SEIU Locals 250, 535 and 790] Ordinance amending Ordinance No. 341-94 to implement an amendment to the Memorandum of Understanding between the Service Employees International Union, AFL-CIO, Locals 790, 535, and 250 and the City and County of San Francisco increasing compensation for Classifications 9202 Airport Communications Dispatcher and 9203 Senior Airport Communications Dispatcher to be effective July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION:

9. File 93-95-28.2. [MOU, Local 39, Amendment 3] Ordinance adopting and implementing the provisions of Amendment No. 3 to the Memorandum of Understanding between the International Union of Operating Engineers Stationary, Local 39 and the City and County of San Francisco to be effective for the period July 1, 1996 through June 30, 1998. (Supervisor Shelley)

ACTION:

10. File 93-95-30.1. [Amendment to MOU, Deputy Sheriff's Assn.] Ordinance adopting and implementing Amendment No. 1 to the Memorandum of Understanding between the Deputy Sheriff's Association and the City and County of San Francisco to correct a clerical error for the period July 1, 1995 through June 30, 1998. (Department of Human Resources)

ACTION:

11. File 93-95-50.1. [MOU, Local 798/Bargaining Unit 1, Amendment 1] Ordinance amending Ordinance No. 381-95 to implement the provisions of Amendment Number 1 to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for Bargaining Unit 1 and the City and County of San Francisco to be effective from the date of final Board approval through June 30, 1999. (Supervisor Shelley)

ACTION:

12. File 93-95-50.2. [MOU, Local 798/Bargaining Unit 1, Amendment 2] Ordinance amending Ordinance No. 381-95 to correct clerical errors by adopting and implementing the provisions of Amendment No. 2 to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for Bargaining Unit 1 and the City and County of San Francisco to be effective July 1, 1995 through June 30, 1999. (Supervisor Shelley)

ACTION:

13. File 93-95-51.1. [MOU, Local 798/Bargaining Unit 2, Amendment 1] Ordinance amending Ordinance No. 382-95 to implement the provisions of Amendment No. 1 to the Memorandum of Understanding between the San Francisco Fire Fighters Union local 798, IAFF, AFL-CIO for Bargaining Unit 2 and the City and County of San Francisco to be effective from the date of final Board approval through June 30, 1999. (Supervisor Shelley)

ACTION:

14. File 93-95-51.2. [MOU, Local 798/Bargaining Unit 2, Amendment 2] Ordinance amending Ordinance No. 382-95 to correct clerical errors by adopting and implementing the provisions of Amendment Number 2 to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for Bargaining Unit 2 and the City and County of San Francisco to be effective July 1, 1995 through June 30, 1999. (Supervisor Shelley)

ACTION:

15. File 25-96-6. [Prop J Contract, Security Guard Services] Resolution concurring with the Controller's certification that security guard services at 1380 Howard Street, Suite 1000 can be performed by a private contractor for a lower cost than similar services performed by City and County employees. (Department of Parking and Traffic)

ACTION:

16. File 25-96-7. [Prop J Contract, Convention Facilities Management] Resolution concurring with Controller's certification that convention facilities management operation and maintenance service can be practically performed at Brooks Hall, Civic Auditorium and Moscone Center by private contractor for lower cost than similar work services performed by the City and County employees. (Chief Administrative Officer)

ACTION:

17. File 25-96-8. [Prop J Contract, Security Services] Resolution concurring with the Controller's certification that security services can be practically performed at the Permit Center at 1660 Mission Street and at 25 Van Ness Avenue by private contractor for lower cost than similar work services performed by City and County employees. (Real Estate Department)

ACTION:

18. File 25-96-9. [Prop J Contract, Janitorial Services] Resolution concurring with the Controller's certification that janitorial services can be practically performed at the Permit Center at 1660 Mission Street and at 25 Van Ness Avenue by private contractor for lower cost than similar work services performed by City and County employees. (Real Estate Department)

ACTION:

19. File 27-96-6. [Airport Lease Modification, Bank of America] Ordinance approving Modification of Lease for Bank of America NT & SA Financial Services Lease between Bank of America NT & SA and the City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)

ACTION:

20. File 64-96-4. [Lease of Property at One Jones Street] Resolution authorizing the month-to-month lease agreement for One Jones Street for the San Francisco Police Department's Tenderloin Task Force retroactive to 3/1/95. (Real Estate Department)

ACTION:

21. File 64-96-5. [Lease Renewal, Sixth/Harrison Streets Parking Lot] Resolution authorizing three renewal leases for parking lots located in the vicinity of Sixth and Harrison Streets described as SFX80-21, SFX80-22, and SFX80-23 for the Police Department and Sheriff retroactive to 9/1/95. (Real Estate Department)

ACTION:

22. File 95-96-1. [Annual Audit, Controller's Books] Resolution ordering an annual audit of Controller's books, and authorizing a three-year contract with a consortium of accounting firms. (Controller)

ACTION:

23. File 97-96-21. [Access to Electronic Information] Ordinance amending Administrative Code by amending Section 67.21, governing requirements for the release and storage of information stored in electronic form. (Sunshine Ordinance Task Force)

ACTION:

LITIGATION

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

24. File 45-96-30. [Anthony Muschi v. CCSF] Ordinance authorizing settlement of litigation of Anthony Muschi against the City and County of San Francisco by payment of \$27,500. (Superior Court No. 968071). (City Attorney)

ACTION:

25. File 45-96-31. [Therese Warde et al., v. CCSF, et al] Ordinance authorizing settlement of litigation of Therese J. Warde, Mary Clarke, John Clarke, and Matthew Clarke against the City and County of San Francisco by payment of \$200,500. (Superior Court No. 963-673). (City Attorney)

ACTION:

26. File 48-96-13. [Settlement of Claim, Shawn Bolan] Resolution approving the settlement of the unlitigated claim of Shawn Bolan dba Rose Express by payment of \$8,722.29. (City Attorney)

ACTION:

27. File 48-96-14. [Settlement of Claim, Michael J. Freeman] Resolution approving the settlement of the unlitigated claim of Michael J. Freeman by payment of \$9,195.45. (City Attorney)

ACTION:

28. File 48-96-15. [Settlement of Claim, David Puente] Resolution approving the settlement of the unlitigated claim of David Puente by payment of \$7,500.00. (City Attorney)

ACTION:

29. File 48-96-16. [Settlement of Claim, Farmers Insurance Group] Resolution approving the settlement of the unlitigated claim of Farmers Insurance Group by payment of \$8,724.00. (City Attorney)

ACTION:

30. File 48-96-17. [Settlement of Claim, USAA Insurance] Resolution approving the settlement of the unlitigated claim of USAA Insurance by payment of \$8,847.61. (City Attorney)

ACTION:

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the proposed settlements listed above at this time and may move not to disclose any information at this time.

GOVERNMENT EFFICIENCY & LABOR COMMITTEE
BOARD OF SUPERVISORS
VETERANS BUILDING
401 VAN NESS AVENUE, ROOM 308
SAN FRANCISCO, CA 94102

IMPORTANT
HEARING NOTICE

Bill Lynch
Documents Section
Public Library-Main Branch
Civic Center

(41)

ADDENDUM CALENDAR

RESCHEDULED MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

MAY 28 1996

SAN FRANCISCO
PUBLIC LIBRARY

THURSDAY, MAY 30, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

MEMBERS: SUPERVISORS TOM AMMIANO, MABEL TENG, MICHAEL YAKI

CLERK: MARY L. RED

SPECIAL ORDER 2:00 P.M.

31. Filo 180-06-1. [Residential Hotel Conversion] Hearing to consider the efficiency of the Planning Department's regulation and control of the conversion of residential apartments into hotel rooms or business rental units. (Supervisor Yaki)

ACTION:

ADDENDUM CALENDAR
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
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MAY 28 1996
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RESCHEDULED MEETING

THURSDAY, MAY 30, 1996, 1:00 P.M. VETERANS BUILDING
401 VAN NESS AVENUE, ROOM 410

MEMBERS: SUPERVISORS TOM AMMIANO, MABEL TENG MICHAEL YAKI

CLERK: MARY L. RED

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Disability Access

Both the Committee Room (Room 410) and the Chamber (Room 404) are wheelchair accessible. The closest accessible BART Station is Civic Center, four blocks from the Veterans Building. Accessible MUNI lines serving this location are: #5 Fulton, #21 Hayes, #42 Downtown Loop, #47 Van Ness and #49 City College lines and the METRO stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 823-6142.

There is accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex.

Assistive listening devices are available for use in the Meeting Room and the Board Chamber. A device can be borrowed prior to or during a meeting. Borrower identification is required and must be held by Room 308 staff.

The following services are available on request 48 hours prior to the meeting or hearing:

For American sign language interpreters or the use of a reader during a meeting, contact Violeta Mosuela at (415) 554-7704.

For a large print copy of an agenda, contact Moe Vazquez at (415) 554-4909.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be concitive to various chemical based products. Please help the City to accommodate these individuals.

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 564-6076.

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642

FAX (415) 252-0461

May 24, 1996 DOCUMENTS DEPT.

MAY 29 1996

SAN FRANCISCO
PUBLIC LIBRARY

TO: // Government Efficiency and Labor Committee

FROM: // Budget Analyst *Recommendation for msc 1/2/96*

SUBJECT: May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 1a - File 138-96-1

Department: District Attorney

Item: Resolution authorizing the District Attorney to retroactively apply for, accept and expend grant funds not to exceed \$300,000 including indirect costs not to exceed \$15,000 made available through the California Office of Criminal Justice Planning for the operation of the "Statutory Rape Vertical Prosecution Program" for the one year period of February 1, 1996 through January 31, 1997.

Grant Amount: \$150,000

Grant Period: February 1, 1996 through January 31, 1997

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: Statutory Rape Vertical Prosecution Program

Description: The proposed grant would support a new project known as the Statutory Rape Vertical Prosecution Program. The Statutory Rape Vertical Prosecution Program is a vertical prosecution program that enhances the District Attorney's

Memo to Government Efficiency and Labor Committee

May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

efforts to prosecute adult males who sexually exploit and commit domestic violence upon their teenage female partners and to have the Family Support Bureau establish paternity, which is to determine if the male offender is the father of the victim's child, and obtain financial support if applicable. Under a vertical prosecution program, the victim works with the same member of the District Attorney's staff throughout the case reports Ms. Teri Jackson of the District Attorney's Office.

Budget:

The proposed budget is as follows:

Personnel

Senior Attorney (1,836 hrs. @ \$34.58/per hr.)	\$63,489	
Investigator (1,080 hrs. @ \$25.53/per hr.)	27,572	
Victim Witness Investigator (1,296 hrs. @ \$18.64/per hr.)	24,157	
Fringe Benefits	<u>21,891</u>	
Total		\$137,109

Materials and Supplies

General office supplies	\$547	
Postage	159	
Photocopy	792	
Telephone	1,148	
Transcripts	<u>202</u>	
Total		2,848

Travel/Training

Airfare (2 persons @ \$198/each)	396	
Hotel (3 days x 2 persons @ \$91/per room)	546	
Per diem (3 days x 2 persons @ \$38/day)	228	
Registration (2 persons @ \$115/each)	<u>230</u>	
Total		1,400

Audit

1,500

Subtotal - Direct Project Costs	\$142,857
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Indirect Costs

7,143

Total Proposed Grant Amount	\$150,000
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Required Match: None

Indirect Costs: \$7,143 (5 percent of direct project costs)

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. The District Attorney's Office advises that it has already submitted its application for this grant funding. As such, the proposed resolution provides for ratification of actions previously taken.
2. A grant summary, as prepared by the District Attorney's Office, is attached to this report.
3. The Disability Access Checklist for this grant program is in the Clerk of the Board's file.
4. Travel, training, and conference costs of \$1,400 would support the costs for two staff members to attend the State OCJP Conference in Anaheim, CA, as required by the funder.

Recommendation: Approve the proposed resolution.

File No. _____

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: DISTRICT ATTORNEY

Contact Person: TERI JACKSON

Project Title: STATUTORY RAPE VERTICAL PROSECUTION PROGRAM

Grant Source: OFFICE OF CRIMINAL JUSTICE PLANNING

Proposed (New / Continuation) Grant Project Summary:

The grant allows the San Francisco District Attorney's Office to vertically prosecute adult male partners who physically and sexually abuse their teenage girl partners. Furthermore, in the cases where there is a child between the abusing adult male and the teenage victim, the Criminal Division and the Family Support Division will coordinate to establish paternity and financial support.

Amount of Grant Funding Applied for: \$150,000

Maximum Funding Amount Available: \$150,000

Required Matching Funds: 0

Number of Positions Created and Funded: 1.95 FTE

Amount to be Spent on Contractual Services: None

Will Contractual Services be put out to Bid? N/A

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 1b - File 138-96-2

Department: District Attorney

Item: Resolution authorizing the District Attorney to retroactively apply for, accept and expend funds not to exceed \$132,000, available through the California Department of Justice for a project entitled "Spousal Abuser Prosecution Program" for the six month period January 1, 1996 through June 30, 1996 and waiving indirect costs.

Grant Amount: \$110,000

Grant Period: January 1, 1996 through June 30, 1996

Source of Funds: California Department of Justice

Project: Spousal Abuser Prosecution Program (SAPP)

Description: The proposed grant would support the Spousal Abuser Prosecution Program (SAPP). SAPP is a vertical prosecution program that enhances the District Attorney's effort to prosecute and convict individuals arrested for spousal abuse crimes. Under a vertical prosecution program, the victim works with the same member of the District Attorney's staff throughout the case reports Ms. Teri Jackson of the District Attorney's Office.

Budget: The proposed budget is as follows:

Personnel

Senior Attorney (1,040 hrs. @ \$39.44/per hr.)	\$41,018
Investigator (832 hrs. @ \$26.41/per hr.)	21,973
Asst. Investigator (1,040 hrs. @ \$17.35/per hr.)	18,044
Fringe Benefits	<u>16,021</u>

Total

\$97,056

Materials and Supplies

General expenses	1,700
Telephone	1,000
Postage	<u>190</u>

Total

2,890

Audit

1,100

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Travel/Training

Southern California

Airfare (2 tickets @ \$233/each)	466	
Hotel (2 persons x \$204/per room)	408	
Per diem (2 days @ \$38/day x 2 persons)	152	
Registration/Tuition (2 persons @ \$100/each)	200	
Transfers (2 persons @ \$22/each)	<u>44</u>	
Total		\$1,270

Local Conference

Registration/Tuition (2 persons @ \$50/each)	100	
Parking/Mileage	<u>11</u>	
Total		111

Local Training Seminar 85

Equipment

2 IBM PC's (2 @ \$2,150/each)	4,300	
2 Laser printers (2 @ \$442.50/each)	885	
35mm Camera	290	
Camcorder	999	
2 File cabinets (2 @ \$213.50/each)	427	
8.5 percent Sales Tax	<u>587</u>	
Total		<u>7,488</u>

Total Proposed Grant Amount \$110,000

Required Match: \$22,000 of in-kind services included in the District Attorney's existing FY 1995-96 budget

Indirect Costs: Indirect costs are not allowed by funder

Comments:

1. The District Attorney's Office advises that it has already submitted its application for this grant funding. As such, the proposed resolution provides for ratification of actions previously taken.
2. A grant summary, as prepared by the District Attorney's Office, is attached to this report.
3. The Disability Access Checklist for this grant program is in the Clerk of the Board's file.
4. The proposed grant would require a local in-kind match of \$22,000. Ms.. Jackson advises that the local match is included in the Department's existing FY 1995-96 budget.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

5. Travel, training, and conference costs of \$1,466 would support the costs for the program's Senior Attorney and Investigator to attend a conference in Southern California (\$1,270) and a local conference (\$111) and a local training seminar for the program's Assistant Investigator (\$85), as required by the funder.

6. Equipment costs of \$7,488 would support computer hardware for a case tracking system, as required by the funder.

Recommendation: Approve the proposed resolution.

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: DISTRICT ATTORNEY'S OFFICE

Contact Person: TERI JACKSON

Project Title: SPOUSAL ABUSER PROSECUTION PROGRAM (SAPP)

Grant Source: CALIFORNIA DEPARTMENT OF JUSTICE

Proposed (New / Continuation) Grant Project Summary:

The San Francisco District Attorney's Office is charged, among other things, with prosecuting persons charged with violations of California's Penal Code. In the face of continuing revenue reductions, the Spousal Abuser Prosecution Program funds available through the California Department of Justice will allow the District Attorney's Office to expand its vertical prosecution unit for domestic violence cases to include certain misdemeanor cases.

Amount of Grant Funding Applied for: 110,000

Maximum Funding Amount Available: 110,000

Required Matching Funds: 22,000 in kind match

Number of Positions Created and Funded: 2.8

Amount to be Spent on Contractual Services: None

Will Contractual Services be put out to Bid? N/A

Item 1c - File 138-96-3

Department: District Attorney

Item: Resolution authorizing the District Attorney to retroactively apply for, accept and expend funds in the amount of \$300,000 including indirect costs of \$15,000 made through the California Department of Insurance for a project entitled "The Investigation and Prosecution of Automobile Insurance Fraud" for the period of July 1, 1995 through June 30, 1996.

Grant Amount: \$300,000

Grant Period: July 1, 1995 through June 30, 1996

Source of Funds: California Department of Insurance

Project: Investigation and Prosecution of Automobile Insurance Fraud

Description: The Automobile Insurance Fraud Division of the District Attorney's Office investigates organized automobile insurance fraud rings referred by the California Department of Insurance. The proposed grant funds would support the District Attorney's Office to focus their outreach to law enforcement agencies who investigate auto thefts and traffic related matters. The District Attorney's Office will work closely with the Police Department, the Highway Patrol, the Department of Motor Vehicles, the Fraud Division of the Police Department, National Insurance Crimes Bureau (NICB), U.S. Customs, and major auto dealers and rental agencies.

In response to the increase in insurance fraud statewide, the California Department of Insurance, pursuant to Senate Bill 1218, has set aside funding for counties to investigate and prosecute such cases. Grant allocations are based on a combination of the County's population and the merit of the grant application.

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Budget:

Personnel

Head Attorney (2,052 hrs. @ \$49.88/per hr.)	\$102,354	
Principal Attorney (2,160 hrs. @ \$46.35/per hr.)	100,116	
Senior Investigator (540 hrs. @ \$26.84/per hr.)	14,494	
Assistant Investigator (1,296 hrs. @ \$16.77/per hr.)	21,734	
Fringe Benefits	<u>39,624</u>	
Total		\$278,322

Materials and Supplies

General office supplies	650	
Photocopying	550	
Telephone	700	
Postage	201	
Books/Publications	<u>150</u>	
Total		2,251

Travel and Training

Southern California		
Airfare (2 tickets @ \$233/each)	466	
Hotel (2 persons @ \$102 x 2 days)	408	
Per diem (2 days @ \$38/day x 2 persons)	152	
Registration/Tuition (2 persons @ \$100/each)	200	
Mileage	<u>44</u>	
Total		1,270

Local Conference

Registration/Tuition (2 persons @ \$78.50/each)	157
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Audit 3,000

Subtotal - Direct Project Costs \$285,000

Indirect Costs 15,000

Total Proposed Grant Amount \$300,000

Required Match: None

Indirect Costs: \$15,000 (approximately 5 percent of direct project costs)

Comments: 1. A grant summary, as prepared by the District Attorney's Office, is attached to this report.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

2. The Disability Access Checklist for this grant program is in the Clerk of the Board's file.
3. Travel, training, and conference costs of \$1,427 would support the costs for the program's Senior Attorney and Investigator to attend a conference in Southern California (\$1,270) and a local conference (\$157), as required by the funder.
4. The District Attorney's Office reports that if the proposed grant funds are reduced or terminated, the project staff would be reduced proportionately.

Recommendation: Approve the proposed resolution.

File No. _____

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: District Attorney's Office

Contact Person: Mary King-Gorwky

Project Title: Investigation and Prosecution of Automobile Insurance Fraud

Grant Source: California Department of Insurance

Proposed (New / Continuation) Grant Project Summary:

The Automobile Insurance Fraud Grant is designed to focus our outreach to law enforcement agencies who investigate auto thefts and traffic related matters. Because of the increase in staged auto thefts, we will be focusing our attention in this area. We will be working closely with the San Francisco Police Department, the Highway Patrol, the Department of Motor Vehicles, the Fraud Division, N.I.C.B., Customs, and major auto dealers and rental agencies.

Amount of Grant Funding Applied for: \$300,000.00

Maximum Funding Amount Available: \$300,000.00

Required Matching Funds: - 0 -

Number of Positions Created and Funded: 2.80

Amount to be Spent on Contractual Services: N/A

Will Contractual Services be put out to Bid? N/A

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 1d - File 138-96-4

Department: District Attorney

Item: Resolution authorizing the District Attorney to retroactively apply for, accept and expend funds in the amount of \$234,984, including indirect costs of \$11,749 made available through the California Department of Insurance for a project intended to facilitate the prosecution of theft and related crimes for the period of July 1, 1994 to June 30, 1996.

Grant Amount: \$234,984

Grant Period: July 1, 1994 through June 30, 1996

Source of Funds: California Department of Insurance

Project: A project intended to facilitate the prosecution of theft and related crimes.

Description: According to the District Attorney's Office, funds from this grant would be used to pay for two investigators dedicated to investigations of theft and related crimes.

Budget: The proposed grant budget for the two year period is as follows:

Personnel

Senior Investigator		
(1 FTE includes fringe benefits)	\$77,076	
Investigator		
(1 FTE includes fringe benefits)	<u>75,208</u>	
Total		\$152,284

Equipment

Office equipment		
Copy machine	1,700	
3 File drawers (\$100 each)	300	
2 Desks (\$300 each)	600	
2 Cabinets (\$200 each)	400	
Computer	2,200	
Printer	800	
Video and sound equipment	9,000	
2 Automobiles including maintenance	<u>30,000</u>	
Total		45,000

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Materials and Supplies

Office supplies	\$1,200	
Utilities	<u>2,500</u>	
Total		\$3,700

Miscellaneous

Office space rental	12,251	
Other operating expenses	<u>10,000</u>	
Total		<u>22,251</u>

Subtotal - Direct Project Costs \$223,235

Indirect Costs 11,749

Total Proposed Grant Amount \$234,984

Required Match: None

Indirect Costs: \$11,749 (approximately 5 percent of direct project costs)

Comments:

1. Attachment I is a grant summary, as prepared by the District Attorney's Office.
2. The Disability Access Checklist for this grant program is in the Clerk of the Board's file.
3. As noted above, the grant period is from July 1, 1994 through June 30, 1996. Mr. Fred Howell of the District Attorney's Office reports that due to an administrative oversight, the grant application was filed in May of 1995 and the grant resolution was filed in April of 1996. As yet, no expenditures have been incurred for this project. If this grant application is approved by the Board, the District Attorney's Office's next step is to request a carryover of the approved funds from the grantor to fully implement this project for the two year period from July 1, 1996 through June 30, 1998.
4. Equipment costs of \$3,000 (computer and printer) would support computer related expenses for a case tracking system.
5. According to Mr. Howell, the two investigators to be funded under this grant need automobiles to fulfill their investigative responsibilities. See Attachment II provided by the District Attorney's Office for automobile costs.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

6. The District Attorney's Office reports that if the proposed grant funds are reduced or terminated, the project staff would be reduced proportionately or the program would be terminated.

Recommendation: Approve the proposed resolution.

File No. _____

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: District Attorney

Contact Person: Frederic A. Howell

Project Title: Theft and Related Crimes

Grant Source: California Department of Insurance

Proposed (New / Continuation) Grant Project Summary:

The proposed project is intended to facilitate the prosecution of theft and, related crimes.

Amount of Grant Funding Applied for: 234,984.00

Maximum Funding Amount Available: 234,984.00

Required Matching Funds: - 0 -

Number of Positions Created and Funded: 2

Amount to be Spent on Contractual Services: N/A

Will Contractual Services be put out to Bid? N/A

Description of Automobile Budget Detail

Two (2) Used, Late-Model, Mid-Sized Vehicles @ \$14,000 ea. = \$28,000

Annual Maintenance @ \$1,000 per vehicle x 2 vehicles = 2,000
TOTAL **\$30,000**

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 1e - File 138-96-5

Department: District Attorney

Item: Resolution authorizing the District Attorney to retroactively apply for, accept and expend funds in the amount of \$331,967 including indirect costs of \$15,808 made available through the California Department of Insurance for a project entitled "The Investigation and Prosecution of Workers Compensation Fraud" for the period of July 1, 1995 through June 30, 1996.

Grant Amount: \$331,967

Grant Period: July 1, 1995 through June 30, 1996

Source of Funds: California Department of Insurance

Project: The Investigation and Prosecution of Workers Compensation Fraud

Description: The Workers Compensation Fraud Division of the District Attorney's Office works in conjunction with the California Department of Insurance to investigate and prosecute fraudulent Workers Compensation claims. The proposed grant funds would be used by the District Attorney's Office to investigate and prosecute organized Workers Compensation fraud rings in San Francisco. In addition to the investigation and prosecution of Workers Compensation fraud cases, the District Attorney's Office will use the proposed grant funds to train claims personnel and attorneys of various organizations and companies, in order to identify and gather crucial information for a successful Workers Compensation fraud prosecution.

Budget: The proposed budget is as follows:

Personnel

Head Attorney (108 hrs. @ \$48.86/per hr.)	\$5,277	
Principal Attorney (2,160 hrs. @ \$45.43/per hr.)	98,129	
Two Senior Investigators (2,160 hrs. per investigator @ \$26.57/per hr.)	114,782	
Assistant Investigator (2,160 hrs. @ \$16.61/per hr.)	35,878	
Fringe Benefits	<u>55,836</u>	
Total		\$309,902

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Materials and Supplies

General office supplies	\$500	
Photocopying	300	
Telephone	266	
Postage	<u>200</u>	
Total		\$1,266

Travel and Training

Southern California

Airfare (2 tickets @ \$233/each)	466	
Hotel (3 days @ \$102/per day x 2 persons)	612	
Per diem (3 days @ \$38/day x 2 persons)	228	
Registration/Tuition (2 persons @ \$100/each)	200	
Mileage	<u>44</u>	
Total		1,550

Local Conference

Registration/Tuition	100	
Mileage	<u>22</u>	
Total		122

Audit 3,319

Subtotal - Direct Project Costs \$316,159

Indirect Costs 15,808

Total Proposed Grant Amount \$331,967

Required Match: None

Indirect Costs: \$15,808 (approximately 4.7 percent of direct project costs)

Comments:

1. A grant summary, as prepared by the District Attorney's Office, is attached to this report.
2. The Disability Access Checklist for this grant program is in the Clerk of the Board's file.
3. Travel, training, and conference costs of \$1,672 would support the costs for the program's Senior Attorney and Investigator to attend a conference in Southern California (\$1,550) and a local conference for a program staff member (\$122), as required by the funder.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

4. The District Attorney's Office reports that if the proposed grant funds are reduced or terminated, the project staff would be reduced proportionately.

Recommendation: Approve the proposed resolution.

File No. _____

Attachment

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: District Attorney
Contact Person: Mary King-Gorwky
Project Title: Investigation and Prosecution of Worker's Compensation Fund
Grant Source: California Department of Insurance
Proposed (New / Continuation) Grant Project Summary:

The Worker's Compensation Fraud Grant is designed to reduce the number of fraudulent claims and investigate and prosecute the fraudulent claims made against employers. The Worker's Compensation Grant also enables attorneys and investigators to promote awareness of fraud and participate in conducting seminars in conjunction with other members of the Insurance Fraud Committee.

Amount of Grant Funding Applied for: 331,967.00
Maximum Funding Amount Available: 331,967.00
Required Matching Funds: - 0 -
Number of Positions Created and Funded: 4.05
Amount to be Spent on Contractual Services: N/A
Will Contractual Services be put out to Bid? N/A

Item 1f - File 146-96-3.1

Department: Department of Public Health (DPH),
Division of Community Mental Health Services

Item: Resolution authorizing the Department of Public Health, Division of community Mental Health Services, to accept and expend a grant in the amount of \$201,997 from the State Department of Rehabilitation and to enter into a cooperative program agreement and a case service contract with the San Francisco Department of Rehabilitation District Office to provide vocational services to mentally ill psychiatric clients, waiving indirect costs; Rescinding Resolution No. 179-96.

Grant Amount: \$201,997

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: State Department of Rehabilitation

Project: Vocational services, including evaluation, placement and follow-up services for 220 seriously mentally ill clients annually.

Description: In February of 1996, the Board of Supervisors approved legislation authorizing the DPH to accept and expend \$128,065 of continuing grant funds from the State Department of Rehabilitation to enter into a Cooperative Program Agreement and a Case Service contract with Community Vocational Enterprises, a non-profit organization, to provide vocational services to mentally ill psychiatric clients who are San Francisco residents (File 146-96-3).

Community Vocational Enterprises, with oversight by the DPH Community Mental Health Services Division, would provide evaluation, placement and follow-up services for up to 220 seriously mentally ill clients annually. Clients would be placed in jobs ten hours per week or more. These services would be provided by Community Vocational Enterprises because the DPH does not have the capacity to provide such services in-house, advises Mr. Jack Rabin of the DPH.

Subsequent to the approval by the Board of Supervisors to accept and expend the grant funds in the amount of \$128,065, the State Department of Rehabilitation increased the grant amount from \$128,065 to \$201,997, an increase of \$73,932. The approval by the Board of Supervisors of the proposed resolution would (1) rescind the previously

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

approved Resolution No. 179-96 that authorized the DPH to accept and expend grant funds in the amount of \$128,065, and (2) authorize the DPH to accept and expend grant funds in the amount of \$201,997.

The proposed grant represents the third year of a three-year grant. The Board of Supervisors previously approved the first and second years of this grant (Files 146-94-18 and 146-95-2). The State Department of Rehabilitation requires an annual approval from the Board of Supervisors specifying approval of the proposed grant.

Budget: The budget for this proposed grant for FY 1996-97 consists entirely of contractual services costs. The contractor would be Community Vocational Enterprises, a non-profit organization (See Comment No. 1).

Contractual Services - Community Vocational Enterprises

<i>Personnel</i>	<u>FTE</u>	<u>Cost</u>
Executive Director	.20	\$16,269
Director - Business and Operations	.25	16,120
Director - Quality Assurance	.18	13,794
State Dept. of Rehabilitation Liaison	.75	29,016
Work Services Coordinator	.40	7,173
Rehabilitation Supervisor	.25	5,481
Senior Rehabilitation Supervisor	.60	29,403
Support Services Coordinator	.40	13,982
Clerical/Rehabilitation & Support Trainer	.25	<u>10,921</u>
Total Personnel	3.28	\$142,159

Rent and Utilities 41,475

Total Direct Costs \$183,634

Indirect Costs (10 percent of Direct Costs) 18,363

Total Contract Costs \$201,997

Required Match: None.

Indirect Costs: None. The State Department of Rehabilitation does not allow the expenditure of these funds for indirect costs.

Comments: 1. Community Vocation Enterprises, a non-profit organization, was selected during the first year of this proposed grant on a sole source basis, because it is the only

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

agency providing services for seriously mentally ill clients Citywide, according to Mr. Rabin.

2. A Disability Access Checklist for this project is on file with the Clerk of the Board.

3. A copy of the Summary of Grant Request form, prepared by the DPH for the proposed grant, is attached to this report.

Recommendation: Approve the proposed resolution.

Grantor: Department of Rehabilitation -SF
 Contact Person: Darlene Rykowsky
 Address: 185 Berry St. Ste. 180
San Francisco, 94107
 Amount Requested: \$ 201,997
 Term: From 7/1/96 To 6/30/97

Division: Community Mental Health Services
 Section: Child, Youth, and Family Services
 Contact Person: Jack Rabin, Asst. Director
 Telephone: 255-3412
 Application Deadline: Not Applicable
 Notification Expected: -----

I. Item Description: Request to ~~(apply for)~~ (accept and expend) a ~~(new)~~ ~~(continuation)~~ ~~(allocation)~~
 (Circle or ~~(extension)~~ ~~(renewal)~~ grant in the amount of \$201,997 from the period of
 Underline) 7/1/96 to 6/30/97 to provide vocational services for psychiatric clients services.

II. Summary: (Purpose; Funding Year; Target Groups; Services; Providers)

Vocational services, including evaluation, placement, and follow-up services will be provided to up to 110 seriously mentally ill clients annually. Clients will be placed in jobs 10 hours/week or more, depending upon interests, skills, and experience. This request is to rescind the previously approved resolution to accept and expend grant funds in the amount of \$128,065 and to accept and expend grant funds in the amount of \$201,997, due to an increase in the grant amount.

III. Outcomes/Objectives:

Provide evaluation, placement and follow-up services for up to 110 seriously mentally ill clients

IV. Effects of Reduction or Termination of These Funds:

Reduction or termination of these funds will prevent up to 110 clients from receiving vocational services.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Yr./Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved By
Grant Amount	\$128,065	\$128,065	\$201,997			
Personnel						
Equipment						
*Contract Svc.	\$128,065	\$128,065	\$201,997			
Mat. & Supp.						
Facilities/Space						
Other						
Indirect Costs						

VI. Data Processing

(costs included above)

VII. Personnel

F/T Civil Service						
P/T Civil Service						
Contractual	3.0	3.0	3.28			

Source(s) of non-grant funding for salaries of Civil Service employees working part-time on this grant:
Not Applicable

Will grant funded employees be retained after this grant terminates? If so, How?
Not Applicable

*VIII. Contractual Services: Open Bid _____ Sole Source X (if sole source, attach Request for Exemption Form)

Item 1g - File 146-96-7

Department: Department of Public Health (DPH),
Bureau of Environmental Health Management (BEHM)

Item: Resolution authorizing the Department of Public Health, Bureau of Environmental Health Management, to apply for and accept and expend a grant of \$22,000, from the California Integrated Waste Management Board, for the support of the Bureau of Environmental Health Management, Local Enforcement Agency's Solid Waste Facilities Permitting and Inspection Program; waiving indirect costs.

Grant Amount: \$22,000

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: California Integrated Waste Management Board

Project: Solid Waste Facilities Permitting and Inspection Program.

Description: The proposed resolution would authorize the Bureau of Environmental Health Management to apply for, accept, and expend a grant of \$22,000 from the California Integrated Waste Management Board to support the City's Solid Waste Facilities Permitting and Inspection Program. This will be the third year that the Bureau of Environmental Health Management has received grant funds from the California Integrated Waste Management Board for the Solid Waste Facilities Permitting and Inspection Program.

The DPH's Bureau of Environmental Health Management is certified by the State to issue permits for inspecting the operations of the City's four solid waste facilities (transfer stations). Mr. Tim Ong of the of the Bureau of Environmental Health Management advises that three of the four solid waste facilities are privately owned, and one, the Department of Public Works Corporation Yard, is owned by the City. Attachment I, provided by the BEHM, provides the names and locations of these four solid waste facilities.

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Budget:	Computer	\$2,500
	Printer	1,000
	Software	500
	Furniture (office chair)	213
	Automobile (See Comment No. 1)	16,325
	Training and Continuing Education (See Comment No. 2)	<u>1,462</u>
	Total	\$22,000

Required Match: None

Indirect Costs: None. The grantor does not allow for the inclusion of indirect costs. Therefore, the proposed resolution waives indirect costs.

Comments:

1. Mr. Ong advises that the automobile would be shared by the Bureau's four inspectors and one director to travel to inspection sites, including landfills and transfer stations. Mr. Ong advises that the Bureau currently has one automobile, which is insufficient. Mr. Ong advises that the ongoing maintenance and operating costs would be absorbed in the Department's FY 1996-97 budget.
2. Mr. Ong advises that the amount of \$1,462 for Training and Continuing Education would be used to pay for continuing employee education and training, including travel costs and registration fees associated with the employee education and training.
3. Attachment II is a Summary of Grant Request Form, as prepared by the Bureau of Environmental Health Management.
4. The Disability Access Checklist prepared by DPH is in the Clerk of the Board's file.

Recommendation: Approve the proposed resolution.

Memorandum

Date: May 22, 1996

To: Michelle Ruggels, Budget Analyst

From: ^{WR}Tim Ong, Senior Inspector, LEA

CC: Jim Gillen, Senior Administrative Analyst
Henry Louie, Program Manager, LEA

RE: Transfer Station and Materials Recovery Facilities located in San Francisco

There are currently four different transfer stations operating in the City and County of San Francisco. Three of these facilities are operated by private parties and as follows:

Sanitary Fill Company
501 Tunnell Avenue
San Francisco, CA 94134

Waste Resource Technologies
895 Egbert Avenue
San Francisco, CA 94124

West Coast Recycling
350 Rhode Island Street
San Francisco, CA 94103

The last facility is operated by the City Department of Public Works.

Department of Public Works Corporation Yard
2323 Army Street
San Francisco, CA 94124-1091

*Please note, two other operations (L&K Debris Box and City Debris Box) previously inspected by the Solid Waste Program are no longer in business in San Francisco.

lea\$97.doc.to

Post-It® Fax Note	7671	Date	5/22/96	# of pages	1
To	Michelle Ruggels	From	Tim Ong		
Co./Dept.	Mayor's Office	Co.	LEA / DPA		
Phone #	554-7642	Phone #	255-3614		
Fax #	252-0461	Fax #	255-3623		

Grantor: CA Integrated Waste Management Board Division: Bureau of Environmental Health Management
 Contact Person: Marc Arico Section: _____
 Address: 8800 Cal Center Drive Contact Person: Jim Gillen *
Sacramento, CA 95826 Telephone: (415) 554-2770
 Amount Requested: \$ 22,000 Application Deadline: May 31, 1996
 Term: From July 1, 1996 To June 30, 1997 Notification Expected: _____

L Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation)
 (Circle or (augmentation to a) grant in the amount of \$ 22,000 from the period of
 Underline) July 1, 1996 to June 30, 1997 to provide support
for the Bureau's ongoing solid waste facilities services.

II. Summary: (Purpose; Funding Year; Target Groups; Services; Providers)

Since 1992, the Bureau of Environmental Health Management has been designated and
certified by California Integrated Waste Management Board to enforce Title 14,
California Code of Regulations and Public Resource Code, Division 30. These laws
and regulations pertain to the protection of public health and safety and the
protection of the environment relative to the management and disposal of solid waste
within the City and County of San Francisco.

III. Outcomes/Objectives:

Grant funds are to be expended for the purpose of purchasing equipment, data processing
equipment, etc., and to provide training for Bureau of Environmental Health
Management staff who are currently assigned to the Bureau's solid waste program
Expenditure of funds will provide support for the program and help ensure that the
program meets its obligation to the state.

IV. Effects of Reduction or Termination of These Funds: The Bureau's solid waste facilities permitting and inspection program is an existing
program funded, in part, from permitting fees and general funds. Grant funds allow
the solid waste program to make one time purchases of equipment; equipment that will
enhance staff efficiency well beyond the grant year.

V. Financial Information:

	<u>Col. A</u>	<u>Col. B</u>	<u>Col. C</u>	<u>Col. D</u>	<u>Req. Match</u>	<u>Approved By</u>
	<u>Two Years Ago</u>	<u>Past Yr./Orig.</u>	<u>Proposed</u>	<u>Change</u>		
<u>Grant Amount</u>			<u>\$22,000</u>		<u>0</u>	
<u>Personnel</u>						
<u>Equipment</u>	<u>Computer, Printer</u>		<u>4,213</u>			
<u>*Contract Svc.</u>	<u>Software, Furniture</u>					
<u>Mat. & Supp.</u>	<u>Vehicle</u>		<u>16,325</u>			
<u>Facilities/Space</u>			<u>0</u>			
<u>Other : Training</u>	<u>Education</u>		<u>1,462</u>			
<u>Indirect Costs</u>			<u>0</u>			

VI. Data Processing

(costs included above)

		<u>4,213</u>			
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VII. Personnel

<u>F/T Civil Service</u>					
<u>P/T Civil Service</u>					
<u>Contractual</u>					

Source(s) of non-grant funding for salaries of Civil Service employees working part-time on this grant:

n/a

Will grant funded employees be retained after this grant terminates? If so, How?

n/a

*VIII. Contractual Services: Open Bid n/a Sole Source n/a (if sole source, attach Request for Exemption Form)

Item 1h - File 148-96-3

Department: Department of Public Works (DPW)

Item: Resolution authorizing the Department of Public Works to retroactively apply for, accept and expend \$450,000 in Federal funds for the Mission Street Lighting Project and waiving indirect costs.

Grant Amount:

Federal Highway Administration (FHWA) (Livable Communities Program)	\$250,000
Federal Highway Administration (Surface Transportation Program)	<u>200,000</u>
Total	<u>\$450,000</u>

Grant Period: May 1, 1996 through September 30, 1997 (1 year and five months)

Source of Funds: FHWA Livable Communities Program (\$250,000)
FHWA Surface Transportation Program (\$200,000)

Project: Mission Street Lighting Project

Description: Ms. Tina Olson of the DPW advises that in 1995, three community planning workshops were convened by residents and merchants of the Mission District, who concluded that the inadequate level of nighttime lighting on Mission Street was a significant safety issue for pedestrians and transit users along Mission Street.

Ms. Olson advises that the purpose of the Mission Street Lighting Project would be to purchase and install 80 pedestrian level street lamps on Mission Street between 16th Street and 24th Street to (1) create a safer environment for pedestrians and transit users on Mission Street, by providing greater illumination, and (2) enhance the aesthetic image of Mission Street's retail area, in order to increase pedestrian traffic and transit ridership.

Ms. Olson advises that the 80 pedestrian street lamps would be installed on 80 existing street light poles along Mission Street between 16th Street and 24th Street. However, the pedestrian street lamps would be installed at a level lower than the existing standard street lights, which would therefore provide greater illumination on the sidewalk and the street. Ms. Olson advises that the exact height of the pedestrian street lamps has not yet been determined.

Budget:

Mission Street Lighting Project

	<u>Grant Funds</u> (Subject of this request)	<u>Local Match</u> (Pending funding request)	<u>Total</u>
DPW-Design Services			
5240 Electrical Engineer (357.14 hrs. @ \$70 per hour)	\$25,000		
5275 Landscape Architect (357.14 hr. @ \$70 per hour)	<u>25,000</u>		
Total Design Services	\$50,000	0	\$50,000
DPW- Construction Management (15% of Construction Cost)	42,012	\$11,988	54,000
Construction Cost	337,023	22,977	360,000
Construction Contingency (10% of Construction Cost)	<u>20,965</u>	<u>15,035</u>	<u>36,000</u>
Total Project Cost	\$450,000	\$50,000	\$500,000

Required Match: \$50,000 to be provided from Gas Tax funds. The DPW has requested a supplemental appropriation for these funds, which is pending before the Board of Supervisors (See Comment No. 1)

Indirect Costs: None. The grantor does not allow for the inclusion of indirect costs.

Comments:

1. As noted above, the total budget for the Mission Street Lighting Project is \$500,000, of which \$450,000 would be funded from the subject grant funds, and \$50,000 would be funded from a pending supplemental appropriation request.
2. Ms. Olson advises that the DPW has not yet (1) selected a Construction Contractor, or (2) established a detailed budget for the Construction Management services which are to be provided by DPW personnel. Therefore, an amount of \$400,000 for the Construction Management services, the Construction Contractor, and the Construction Contingency fund should be reserved pending the selection of a Construction Contractor, the MBE/WBE status of the Construction Contractor, and the submission of budget details for the Construction Contractor and for DPW's Construction Management services.

3. Attached is a Letter of Intent to File a Grant Application form, as prepared by the DPW for the proposed grant funds.
4. The DPW has prepared a Disability Access Checklist for the proposed grant program, which is on file with the Clerk of the Board's Office.

- Recommendations:**
1. In accordance with Comment No. 2 above, amend the proposed resolution to reserve \$400,000 pending the selection of a Construction Contractor, the MBE/WBE status of the Construction Contractor, and the submission of budget details for the Construction Contractor and for DPW's Construction Management services.
 2. Approve the proposed resolution as amended.

File No. _____

Letter of Intent to File a Grant Application
(submitted in triplicate)

To: The Board of Supervisors
Attn: Clerk of the Board

Request for authorization to submit a grant application as described below:

Department: PUBLIC WORKS

Contact Person: TINA OLSON

Project Title: MISSION STREET LIGHTING PROJECT

Grant Source: FEDERAL HIGHWAY ADMINISTRATION

Proposed (New/Continuation) Grant Project Summary:

This project will consist of purchasing and installing 10 pedestrian level street lamps per block for a total of 80 light poles on Mission Street between 16th and 24th Streets. The purpose of this project is to (1) provide greater illumination for a safer environment in the area for pedestrians and transit users, and (2) enhance the aesthetic image of the retail area, aimed at increasing pedestrian traffic and transit ridership.

Amount of Grant Funding Applied for: \$ 450,000

Maximum Funding Amount Available: \$ 450,000

Required Matching Funds: \$ 25,989 - Gas Tax Monies

Number of Positions Created and Funded: None

Amount to be Spent on Contractual Services: \$414,000

Will Contractual Services be put out to Bid? Yes

Letter of Intent to File Grant Application
Page 2

Term of Grant: 5-96 through 9-97

Date Department Notified of Available funds: 4/96

Application Due Date: N/A

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Federal Highway Administration - Surface Transportation Program.

Federal Highway Administration - Liveable Communities Program

Assessment of Need for Grant Funding: _____

After three community planning workshops, residents and merchants of this area of the Mission District concluded that the nighttime lighting level is the most significant safety issue for pedestrians and transit users.



Department or Commission Approval

Item 2 - File 65-96-5

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of April 9, 1996.

Department: Public Library

Item: Ordinance approving a memorandum of understanding (MOU) between the San Francisco Public Library and the Library Foundation of San Francisco for use of space in the new Main Library building for the performance of Library-related services, generation of revenues for Library Department purposes, and assurance of private funds to provide support on an ongoing basis for the San Francisco Public Library System; and authorizing and approving certain agreements directly with the Library Foundation as contemplated by such MOU, including a lease of office space and an agreement giving the Foundation the right to manage the meeting rooms, auditorium and other space for private functions and special events and to charge fees for such uses.

Description: The proposed ordinance would approve a Memorandum of Understanding (MOU) between the Public Library and the Library Foundation, a non-profit public benefit corporation. The Library Foundation is a single-purpose, non-profit public benefit corporation devoted to raising funds for the Public Library. The proposed MOU has three components, as follows:

(1) The MOU would commit the Library Foundation to an annual cash contribution to the Public Library of not less than \$300,000.

(2) The Public Library would grant the Library Foundation the use of 1,260 square feet of office space in rooms 651A and 651B, on the sixth floor of the new Main Library. In lieu of rent, the Library Foundation would make an annual unrestricted cash gift to the Public Library of \$21,600. This cash gift in lieu of rent would be in addition to the \$300,000 cash contribution commitment. The proposed ordinance would authorize the Director of Property and the City Librarian to prepare a lease for this office space, and would authorize the Mayor and the Clerk of the Board of Supervisors to execute the lease, on substantially the same terms and conditions as set forth in the proposed MOU. In other words, approval of this proposed MOU by the Board of Supervisors would provide advance approval of the lease, which would follow the terms set forth in the MOU. A

BOARD OF SUPERVISORS
BUDGET ANALYST

separate lease agreement would not be subject to Board of Supervisors approval.

(3) The Public Library would enter into a management agreement with the Library Foundation, under which the Library Foundation would provide marketing and events management services in the new Main Library, for private functions and events. All gross revenues generated from such special events would be paid directly to the Public Library, and the use of such funds by the Public Library would be unrestricted by the Library Foundation. The Library Foundation would receive an annual management fee of \$100,000 plus 10 percent of gross revenues from management of the special events, not to exceed a combined total of \$200,000 (see Comment No. 8). The proposed ordinance would authorize the Director of Property and the City Librarian to prepare a management agreement, and would authorize the Mayor and the Clerk of the Board of Supervisors to execute the management agreement, on substantially the same terms and conditions as set forth in the proposed MOU. In other words, approval of this proposed MOU by the Board of Supervisors would provide advance approval of the management agreement, which would follow the terms set forth in the MOU.

Comments:

1. The proposed MOU has been revised since it was first presented to the Government Efficiency and Labor Committee on April 9, 1996. The key revisions are summarized as follows:

- No admission fee could be charged for events held during open hours of the new Main Library.
- Although the Library Foundation would receive the City's list of Members of the Public Library for the purpose of soliciting donations, the City Librarian could withhold the information regarding any Library members who have requested not to receive solicitations, and the Library Foundation would have to remove any member from its solicitation list who requests not to be solicited.
- Language has been added to clarify that the Library Foundation would provide marketing and events management services, rather than that the Library Foundation would manage the use of space in the Public Library.
- Use of the eleven special centers in the Main Library would no longer be included in the list of special events

BOARD OF SUPERVISORS
BUDGET ANALYST

space covered by the MOU. However, the City Librarian would have sole discretion to allow the use of non-listed space in the building on a case-by-case basis.

- The City Librarian would have the authority to refuse to allow an event or to place specific conditions on the use of space for an event within 14 days of receiving information from the Library Foundation describing the event.

2. The terms of the three provisions of the MOU -- the funding commitment, the lease of office space, and the management agreement would commence upon the opening of the new Main Library, which is currently scheduled for April 18, 1996, and expire on June 30, 1999, for a total of approximately 3 years and 2 1/2 months. Each provision could be extended by the Public Library beyond the expiration date on a year-to-year basis. The Public Library or the Library Foundation could terminate any of the agreements with 90 days' written notice to the other party.

3. The proposed ordinance would authorize the Director of Property and the City Librarian to negotiate directly with the Library Foundation, rather than conducting a competitive bid process. Mr. David Price of the Library states that the Library Foundation is a single-purpose organization, dedicated to fundraising for the Public Library. Mr. Price states that the Library would provide space to the Library Foundation and enter into a special events management agreement with the Library Foundation exclusively to further this purpose of raising funds for the Public Library.

4. The Library Foundation was formed in the late 1980s to assist the Public Library with the planning and equipping of the new Main Library. The City and the Library Foundation entered into a New Main Funding Agreement in 1991, previously approved by the Board of Supervisors, which sets forth the terms and conditions under which the Library Foundation gives private funds to the City to pay for specified capital costs that were not eligible for bond funding, such as furnishings and equipment, at the new Main Library. To date, Mr. Price reports that the Library Foundation has contributed a total of \$25 million for this purpose, as well as another \$5.4 million for other Library projects such as the renovation of the Chinatown Branch Library, the Telephone Information Program, and the Affinity Centers (Gay & Lesbian Center, African American Center, etc.) at the New Main, and \$1.9 million to establish endowment funds for the Public Library as a whole, as well

BOARD OF SUPERVISORS
BUDGET ANALYST

as for the Gay & Lesbian and African American Centers in the new Main Library. The proposed MOU would not affect the pre-existing New Main Funding Agreement.

The Library Foundation plans to expand its mission to include raising funds to support multi-year projects, with a focus on capital improvement and materials acquisition projects, throughout the Public Library system.

5. The Board of Supervisors recently approved an MOU (File 65-96-3) with the Friends of the San Francisco Public Library (the Friends), providing for lease of office and gift shop space in the new Main Library, in exchange for an annual funding commitment of approximately \$50,000. Mr. Price states that the proposed MOU with the Library Foundation would not interfere with activities of the Friends in support of the Public Library, because the Library Foundation would focus on multi-year capital projects, whereas the Friends focuses on raising funds for supporting special multi-year programs and activities that encourage public use of the Public Library.

6. The MOU outlines a process in which the City Librarian would periodically submit to the Library Foundation a proposal for supplemental funding from the Library Foundation's \$300,000 annual contribution commitment. The Library Foundation would notify the City Librarian as to its willingness to fund the proposal. The Library Foundation would either advance funds to the Public Library or pay project costs directly.

7. Mr. Steve Legnitto of the Department of Real Estate (DRE) states that the cash gift in lieu of rent established in the proposed MOU for the office space (\$21,600 per year) represents the fair market value of the space.

8. As noted above, the management fee payable by the City to the Library Foundation would be \$100,000, plus 10 percent of gross revenues from management of the special events, not to exceed a combined total of \$200,000. Ms. Marsha Daniels of the Library Foundation states that the Library Foundation expects to employ one full time staff person and one part time staff person to perform this management function, with anticipated salary expenses of approximately \$60,000 plus related costs including fringe benefits. Mr. Legnitto states that the base payment of \$100,000 is intended to cover staff expenses and some office expenses. Mr. Legnitto advises that other City agreements with for profit entities, for the management of events, provide that the City receives approximately 25 percent of the gross revenues

BOARD OF SUPERVISORS
BUDGET ANALYST

from the events, while 75 percent of gross revenues are retained by the events manager. The DRE believes that a management fee of \$100,000 plus 10 percent of gross revenues is equal to or less than the fair market value of the management services.

Mr. Legnitto further states that, according to the MOU, the management fee would be payable to the Library Foundation at the end of each fiscal year, in arrears. Therefore, the source of funds for the management fee is anticipated to be the special events revenues themselves, rather than the General Fund. In a worst case scenario, if the special events yield less than \$100,000 in annual gross revenues, payment of the management fee would in effect reduce the \$300,000 annual contribution commitment of the Library Foundation. Mr. Legnitto states that the DRE believes that it is highly unlikely that the special events will yield less than \$100,000 in annual gross revenues. He advises that in such a case, the Public Library could exercise its right to terminate the management agreement.

Mr. Price states that, given the Library Foundation's fundraising track record, he is confident that the Library Foundation will be successful at management of the special events space.

9. Space on the lower level of the building would be available for special events. This lower level of the building is separately accessible. This space includes a cafe and catering space, a 260-seat auditorium, and meeting rooms. During the open hours of the new Main Library, any use of the event space would be in accordance with the Library's public meeting room policy. No admission fee could be charged for special events held during open hours.

During hours when the new Main Library is not open to the public, special events space would be supplemented by the main atrium gallery and the roof garden of the new Main Library. The City Librarian would have the authority to allow use of other space in the new Main Library on a case-by-case basis. Admission fees could be charged for events held when the new Main Library is not open to the public.

The Library Foundation would provide marketing and management services for use of the special events space for fundraising events for the Public Library; receptions, private parties and special non-City events; and lectures or presentations in the auditorium for which the Foundation could charge admission fees. The fees would be established by the Library Foundation. Mr. Legnitto states that the fees

BOARD OF SUPERVISORS
BUDGET ANALYST

will have to be set at least high enough to cover the expenses of the Public Library in providing utilities, security and maintenance for the events, based on the MOU, as well as the \$100,000 base management fee. Mr. Legnitto states that establishment of the fees is a business decision that should be made by the Library Foundation, based on their fundraising experience, with input from the Public Library.

Mr. Price states that the new Main Library collection and facilities will be protected from damage, because the MOU requires that the City Librarian provide security and janitorial services for all events. In addition, the City Librarian provides rules and regulations on the use of public space to further protect the facility from public misuse.

As stated earlier, all gross revenues from such use of space in the new Main Library would be paid by the Library Foundation to the City. The Public Library would provide utilities, security and janitorial service for such events. The fees charged to users of the space would be established to pass through the costs of such City services. In other words, the Library Foundation would establish a base fee, which would be adjusted on a case-by-case basis to include the City Librarian's estimate of the costs of providing utilities, security and janitorial services for the event.

10. The proposed MOU would permit the Library Foundation to assign or subcontract the management services to a commercial operator. The selection of such an operator would be made through the Library Foundation's Request For Proposal process, subject to approval by the City Librarian and the Director of Property. Ms. Betsy Dietrich of the City Attorney's Office states that, if the Library Foundation does retain a private operator to handle all or part of its event management obligations, such operator would not be entitled to use the office space to be leased to the Library Foundation under the proposed MOU.

Mr. Price states that it is not anticipated at this time that the Library Foundation would subcontract the entire management services. Rather, Mr. Price advises that the purpose of this provision is to enable the Library Foundation to obtain occasional specialized services for fundraising events, as needed. However, the MOU would potentially permit the Library Foundation to assign or subcontract the entire management services, while retaining its oversight and fiduciary obligations under the MOU.

11. The Library Foundation would be required to provide the Public Library with quarterly reports of income and expenses related to events management. The Library Foundation would submit an independently prepared audit of its operations to the City on an annual basis. Records of the Library Foundation and the commercial operator, if any, would be subject to audit by the City.

12. The Library Foundation would maintain, or require its operator to maintain, liability coverage and other insurance required by the City's Risk Manager. The Library Foundation would indemnify the City for any and all losses arising out of the use of the event space under the agreement, other than claims arising from construction defects of the building or the City's gross negligence.

13. The proposed MOU states that the Public Library would have the right to use the event space after regular hours free of charge, provided that there is no conflict with any previously scheduled event for which a contract has been entered into by the Foundation. The City Librarian would have the authority to refuse to allow an event or to place conditions upon use of the space within 14 days of receipt of information describing the event from the Foundation.

Mr. Price states that the Public Library plans to program at least 60 hours of free events at the new Main Library per week during regular open hours. Mr. Price reports that this is the same level of events programming that was conducted at the old Main Library. Mr. Price advises that the Public Library does not have current plans to sponsor after hours events at the new Main Library.

14. Mr. Price advises that the New York, Denver and Los Angeles Public Libraries have begun similar programs, using rental of the main library events space as a fund raising vehicle. Mr. Price states that, while there are few other public libraries have such programs, many museums lease space after hours for special events.

Recommendation: Approval of the proposed ordinance, which would approve an MOU between the Public Library and the Library Foundation, is a policy decision for the Board of Supervisors.

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 3 - File 51-95-4.1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of May 14, 1996.

Item: This item is a hearing transmitting claims of City and County employees, from various departments for reimbursement for the cost of personal property, which was damaged or stolen in the line of duty.

Description: Section 10.25-1 of the Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property that has been damaged or destroyed in the line of duty without the fault of the City employees, subject to the approval of the Board of Supervisors. The Controller recommends reimbursement after reviewing the claim and after reviewing the Department Head's certification that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.

The subject claims of three employees were first reviewed by the Controller's Office in February of 1995 (File No. 51-95-4). The Controller's Office recommended that these three claims be returned to the Department (San Francisco General Hospital) for further processing. Of the three employee claims that have been resubmitted, the Controller's Office has denied one claim and has recommended that the other two claims be paid in full.

Comments: 1. The Controller has certified that funds are available for these employee reimbursements from the respective departments' FY 1995-96 operating budgets.

2. As shown in the Attachment, the Controller has recommended reimbursements totaling \$592.50 to two City and County employees.

Recommendation: Prepare in and report a resolution authorizing payment of the subject claims.

REIMBURSEMENT FOR DAMAGED OR STOLEN
PERSONAL PROPERTY OF CITY EMPLOYEES

Date: May 28, 1996
File No. 051-95-004.01

Department <u>Claimant</u>	Amount <u>Claimed</u>	Controller's <u>Recommended</u>	<u>Comments</u>
<u>San Francisco General Hospital</u> Lola Escobar	1,759.00	0.00	Stolen Purse. Department does not certify theft is related to performance of employee duties. Employee did not provide verification of theft.
Kelley Bracy	715.00	492.50	Stolen Purse. Loss occurred through no fault of employee. Reduce claim due to age of items & do not reimburse cash.
Susan Harmon	100.00	100.00	Tom Clothing. Loss occurred through no fault of employee and in performance of work related duties.
	<u>2,574.00</u>	<u>592.50</u>	

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 4 - File 51-96-1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of May 14, 1996.

Item: This item is a hearing transmitting claims of employees, from various departments for reimbursement for the cost of personal property, of City and County employees, which was damaged or stolen in the line of duty in November and December of 1995 and January of 1996.

Description: Section 10.25-1 of the Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property which has been damaged or destroyed in the line of duty without the fault of the City employees. The Controller recommends reimbursement after reviewing the claim and after reviewing the Department Head's certification that the damage occurred in the line of duty and that the amount certified for payment is fair and reasonable.

Of the five employee claims submitted, the Controller's Office has recommended that one claim be returned to the Department (Parking and Traffic) for further processing, three claims be partially paid, and one claim be paid in full.

Comments:

1. The Controller has certified that funds are available for these employee reimbursements from the respective departments' FY 1995-96 operating budgets.
2. As shown in the Attachment, the Controller has recommended reimbursements totaling \$1,172.27 to four City and County employees.

Recommendation: Prepare in and report out the resolution as submitted by the Controller's Office authorizing payment of the subject claims.

REIMBURSEMENT FOR DAMAGED OR STOLEN
PERSONAL PROPERTY OF CITY EMPLOYEES

Date: May 28, 1996
File No. 051-96-001

Department <u>Claimant</u>	Amount <u>Claimed</u>	Controller's <u>Recommended</u>	<u>Comments</u>
<u>Public Health</u> Pauline Birtwistle	1,068.00	500.00	Auto & property theft. Auto & contents used in performance of employee duties stolen through no fault of employee. Limit claim to amount uncovered by employee insurance deductible.
<u>Department of Public Works</u> Mark Watanabe	136.86	109.75	Auto break-in. Auto frequently used in performance of employee duties damaged through no fault of employee. Limit claim to amount uncovered by employee insurance deductible.
<u>CAO - Solid Waste</u> Natasha Stillman	353.88	100.00	Shattered auto window. Damage occurred to auto used in performance of employee duties through no fault of employee. Limit claim to amount uncovered by employee insurance deductible.
<u>Parking and Traffic</u> Adrienne Frazier	462.52	462.52	Auto hit/run incident. Automobile damaged while being used in the performance of employee duties. Allow full amount of claim because Department required employee to use automobile pending availability of CCSF vehicle.
	<u>2,021.26</u>	<u>1,172.27</u>	

Returned to Department for further processing:

<u>Parking & Traffic</u> Daryl Robinson	1,433.12	Auto hit/run incident.
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Item 5 - File 112-96-2

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of May 14, 1996.

Department: Purchasing Department

Item: Resolution designating the Small Business Exchange to be the outreach newspaper of the City and County of San Francisco for the African-American community; designating the Chinese Times to be the outreach newspaper for the Chinese community; and designating the El Latino to be the outreach newspaper for the Hispanic community, commencing on July 1, 1996, for outreach advertising.

Description: Proposition J, which was approved by the San Francisco electorate in November of 1994, provided, in part, for a Outreach Advertising Fund to be established for the purpose of placing weekly outreach advertisements in periodicals selected to reflect the diversity in race and sexual orientation of the population of the City. The Purchasing Department advises that pursuant to Proposition J, the Department issued an Invitation for Bids on March 12, 1996 for the City's outreach advertising. The issuance of the Invitation for Bids is in accordance with Section 2.80 of the Administrative Code, which finds that the City (1) wishes to maximize the public's access to public notices which are required to be published by law and (2) wishes to implement an aggressive outreach plan to meet the public information needs of those communities, and neighborhoods which may not be adequately served by the City's other designated newspapers for official advertising. The Purchasing Department received six bids in response to its Invitation for Bids. The Attachment provided by the Purchasing Department lists the bidders and the amounts bid.

The bids were evaluated by the Purchasing Department on the basis of certain criteria and a point system established under Section 2.81-3 of the Administrative Code. Bidders were required to submit typeset samples and other documentation for evaluation purposes. The criteria used for evaluation of bids under Section 2.81-3 includes (1) the advertising bid amount (the periodical which submits the lowest bid receives additional points), (2) the periodical's level of circulation (for each community, the periodical with the largest circulation receives additional points), (3) the cost of the periodical (any periodical with a majority of circulation that is free of charge to the general public receives additional points), (4) the ownership of the periodical (any periodical

which is owned by a local, minority, or women-owned firm receives additional points), and (5) the foreign language content of the periodical (a periodical with a majority of its editorial content published in the native language of the outreach community it serves receives additional points).

Based on the point system established in Section 2.81-3, the Purchasing Department is recommending that the Small Business Exchange, the Chinese Times, and the El Latino be awarded contracts for the City's outreach advertising, based on receiving the highest point totals. The Attachment provided by the Purchasing Department contains the point evaluation data of the bidders.

Comments:

1. Pursuant to Proposition J and in accordance with Section 2.81-2(a), the City is required to withhold 10 percent of the annual amounts paid for the City's Type 1 and Type 2 official advertising and to deposit these monies into the Outreach Advertising Fund. The Purchasing Department estimates that the annual cost for the City's Type 1 and Type 2 official advertising will be \$616,000. Based on the \$616,000, the estimated amount available for outreach advertising is \$61,600 or 10 percent of the \$616,000.

2. The Purchasing Department states that the City Attorney has advised that the Board of Supervisors need not accept the Purchasing Department's recommendations to award contracts to the above-noted periodicals and may designate any periodical which is qualified under the Administrative Code. Additionally, pursuant to Sections 2.80-1(b) and 2.81-4, the Board of Supervisors may specify additional outreach communities, and may authorize additional advertising for communities not adequately served by the City's official advertising and outreach periodicals.

The Purchasing Department reports that the Controller's Office has advised that there is a balance of approximately \$18,000 in the Outreach Fund.

4. The Purchasing Department advises that in accordance with Chapter 12B of the Administrative Code, the bidders for the outreach advertising were required to provide data on the composition of their workforces and to provide copies of their affirmative action plans. According to the Purchasing Department, all bidders complied with these requirements.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Exhibit A

Bid Data and Point Calculation, by Outreach Community1. African American

	Avail. Points	Small Business Exchange	
		Data	Pts
Cost of Sample	15	\$9.66	15
Circulation, SF	10	1,500	10
Circulation, Comm		935	
Price, if free	5	no	0
Foreign language	5	no	0
Locally owned	2	yes	2
Minority owned	2	yes	2
Woman owned	<u>2</u>	no	<u>0</u>
Subtotal, Prop. J	41		29
MBE/WBE/LBE Pref.	10%	10%	<u>2.9</u>
Total			31.9
Ranking			1

Small Business Exchange was the only bidder for this category, and is the current outreach newspaper for this community.

2. Chinese

	Avail. Points	Chinese News		Chinese Times	
		Data	Pts	Data	Pts
Cost of Sample	15	Note 1	N/A	\$16.83	15
Circulation, SF	10	Note 2	0	1,600	10
Circulation, Comm		Note 2	0	1,600	
Price, if zero	5	50¢	0	50¢	0
Foreign language	5	yes	5	yes	5
Locally owned	2	no	0	yes	2
Minority owned	2	no	0	yes	2
Woman owned	<u>2</u>	no	<u>0</u>	no	<u>0</u>
Subtotal, Prop. J	41		N/A		34
MBE/WBE/LBE Pref.	10%	0%	<u>0</u>	10%	<u>3.4</u>
Total			N/A		37.4
Ranking			Note 1		1

Notes

1. The Chinese News was deemed nonresponsive because it did not submit the required typeset sample of an ad. The paper's other bid data is presented for information only.
2. Unable to determine, because the paper presented conflicting data.
3. Chinese Times is the current official outreach newspaper for this community.
4. Asian Week's submittal did not provide any information on which the City could evaluate the paper as a potential outreach newspaper. 48

3. Lesbian/Gay/Bisexual

No bids were received for this outreach community.

4. Hispanic

	Avail. Points	<u>El Mensajero</u>		<u>El Latino</u>	
		<u>Data</u>	<u>Pts</u>	<u>Data</u>	<u>Pts</u>
Cost of Sample	15	\$15.93	7.53	\$8.00	15
Circulation, SF	10	14,325	0	3,000	10
Circulation, Comm		14,325		3,000	
Price, if zero	5	zero	5	50c	0
Foreign language	5	yes	5	yes	5
Locally owned	2	no	0	yes	2
Minority owned	2	no	0	yes	2
Woman owned	<u>2</u>	no	<u>0</u>	Yes	<u>2</u>
Subtotal, Prop. J	41		N/A		36
MBE/WBE/LBE Pref.	10%	0%	<u>0</u>	10%	<u>3.6</u>
Total			N/A		39.6
Ranking			Note 1		1

Notes

1. El Mensajero's bid was nonresponsive because the paper is not printed in San Francisco. The paper's data is presented for information only.
2. El Latino is the current official outreach newspaper for this community.

Items 6 and 7 - Files 93-94-22.2 and 93-94-23.2

Department: Department of Human Resources (DHR)

Items: Item 6, File 93-94-22.2 - Ordinance implementing the provisions of a mediated settlement dated April 24, 1996, between the Union of American Physicians and Dentists for Bargaining Unit 8CC and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997.

Item 7, File 93-94-23.2 - Ordinance implementing the provisions of a mediated settlement dated April 24, 1996 between the Union of American Physicians and Dentists for Bargaining Unit 11AA and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997.

Description: In FY 1994-95, the Board of Supervisors approved identical Memoranda of Understanding (MOUs) with Bargaining Units 8CC and 11AA of the Union of American Physicians and Dentists for the three-year period July 1, 1994 through June 30, 1997. Bargaining Unit 8CC represents the following classifications: 2220 Physician, 2230 Physician Specialist, 2232 Senior Physician Specialist, 2236 Medical Advisor, 2292 Shelter Veterinarian, 2582 Forensic Pathologist and 2210 Dentist. Bargaining Unit 11AA represents 2233 Supervising Physician Specialists. Under the terms of these MOUs, the fiscal provisions are subject to renegotiation annually.

The City and the Union of American Physicians and Dentists, after extensive negotiations regarding the fiscal provisions of these MOUs, have agreed to a mediated settlement, with the approval of an arbitration panel, as follows: (1) there shall be no wage increase for FY 1996-97, and (2) for the period October 5, 1996 through June 29, 1997 the City shall "pick-up" 5.3 percent of the employees share of retirement costs and effective June 30, 1997 the City shall "pick-up" 6 percent of the employees share of retirement costs. Currently, the City picks up 1.3 percent of the employees share of retirement costs.

As of the writing of this report, the Controller's Office had not completed its financial analysis of the mediated settlement to the MOU. The increased annual cost to the City as estimated by the Budget Analyst, based on salary and fringe benefit information provided by the Controller, for the mediated settlement, is as follows:

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<u>Fiscal Year</u>	<u>Annual Total Retirement Pick-up</u>	<u>Projected Annual Net Additional Cost to City</u>
FY 1995-96	\$199,272	
FY 1996-97*	609,315	\$410,043
FY 1997-98**	919,721	<u>310,406</u>
Total Two-year Cost		\$720,449

* Reflects Retirement Pick-up beginning October 5, 1996.
** Net ongoing annual additional cost to the City.

Comment: The current term of the MOU is July 1, 1996 through June 30, 1997. Therefore, the net additional cost to the City beginning in FY 1997-98 of \$310,406 would be an ongoing cost to the City, unless other provisions are subsequently negotiated.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

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BUDGET ANALYST

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Item 8 - File 93-94-29.2

Department: Department of Human Resources (DHR)

Item: Ordinance amending Ordinance No. 341-94 to implement the terms of an amendment to the Memorandum of Understanding (MOU) between the Service Employees International Union, AFL-CIO, Locals 790, 535, and 250 and the City and County of San Francisco for Airport Communications Dispatchers and Senior Airport Communications Dispatchers for the period July 1, 1996 through June 30, 1997.

Description: The Board of Supervisors previously approved a resolution approving an MOU between the City and the Service Employees International Union, AFL-CIO, Locals 790, 535, and 250, and an ordinance implementing the fiscal provisions of that MOU for the period May 24, 1993 through June 30, 1997 (Files 93-94-29 and 93-94-29.1 respectively). The proposed ordinance would amend the previously approved ordinance (File 93-94-29.1) implementing the MOU to increase wages for 9202 Airport Communications Dispatchers and 9203 Senior Airport Communications Dispatchers for the period July 1, 1996 through June 30, 1997.

Under the proposed amendment to the MOU, in addition to any general wage increase or adjustment included in the MOU, the 9202 Airport Communications Dispatchers would receive an additional 5 percent increase in base wage and the 9203 Senior Airport Communications Dispatcher would receive an additional 5 percent increase in base wage in order to make the wages of these two classifications comparable to the wages of similar classifications in other similar jurisdictions, according to Ms. Alice Villagomez of the DHR.

As of the writing of this report, the Controller's Office had not completed its financial analysis of the proposed amendment to the MOU. The increased annual cost to the City as estimated by the Budget Analyst, based on salary and fringe benefit information provided by the Controller, for the proposed amendment, is as follows:

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BUDGET ANALYST

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	Current MOU for FY <u>1995-96</u>	Proposed MOU for FY <u>1996-97</u>	Net Additional Cost <u>to the City</u>
<u>Wages</u>			
9202 Airport Communications Dispatcher	\$1,392,925	\$1,462,571	\$69,646
9203 Airport Communications Dispatcher	405,695	425,980	20,285
<u>Fringe Benefits*</u>	<u>na</u>	<u>na</u>	<u>8,526</u>
Total			\$98,457

*Fringe benefits reflect retirement contributions and FICA percentages on the salary increases.

Comment: The net annual additional cost to the City of \$98,457 would be for the term of the current MOU contract, which would be for the period July 1, 1996 through June 30, 1997. Other terms related to wages may be specified in a newly negotiated contract commencing in FY 1998-99.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 9 - File 93-95-28.2

- Department:** Department of Human Resources (DHR)
- Item:** Ordinance adopting and implementing the fiscal provisions of Amendment No. 3 to the Memorandum of Understanding (MOU) between the International Union of Operating Stationary Engineers, Local 39 and the City and County of San Francisco for the period July 1, 1996 through June 30, 1998.
- Description:** The Board of Supervisors previously approved a resolution approving an MOU between the City and the International Union of Operating Stationary Engineers, Local 39, and an ordinance implementing the fiscal provisions of that MOU for three-year period July 1, 1995 through June 30, 1998 (Files 93-95-28.1 and 93-95-28 respectively). The proposed ordinance would adopt and implement the fiscal provisions of Amendment No. 3 to the MOU.
- Amendment No. 3 provides that (1) effective July 1, 1996, in addition to the general wage increase included in the MOU, 9232 Airport Mechanical Maintenance Supervisors shall receive an additional 5 percent wage increase in order to make the wages for this classification comparable to the wages of similar classifications in other similar jurisdictions, according to Ms. Alice Villagomez of the DHR, and (2) effective FY 1996-97, the City shall contribute \$4,000 annually to the Employee Tuition Reimbursement Program for the use of employees covered under this MOU, which includes 24 employee classifications 12 of which fall under various Stationary Engineer classifications. the remaining 12 classifications include (1) Assistant Superintendent of Water Treatment Facilities, (2) Superintendent of Water Treatment Facilities, (3) Buildings and Grounds Maintenance Superintendent, (4) Buildings and Grounds Maintenance Supervisor, (5) School Heating and Ventilating Supervisor, (6) Cable Machinery Supervisor, (7) Maintenance Planner, (8) Wire Rope Cable Maintenance Supervisor, (9) Bridgetender, (10) Wire Rope Cable Maintenance Mechanic, (11) Wire Rope Cable Maintenance Mechanic Trainee and (12) Airport Mechanical Maintenance Supervisor. The Employee Tuition Reimbursement Program provides reimbursement to employees for college courses. The City would contribute a lump sum of \$4,000 annually for use by all 24 classifications. Currently, the MOU does not include an Employee Tuition Reimbursement Program.

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As of the writing of this report, the Controller's Office had not completed its financial analysis of the proposed amendment to the MOU. The increased annual cost to the City as estimated by the Budget Analyst, based on salary and fringe benefit information provided by the Controller, for the proposed amendment, is as follows:

	Current MOU for FY 1995-96	Proposed MOU for FY 1996-97 and 1997-98	Net Annual Additional Cost to the City
<u>Wages</u>			
9232 Airport Mech. Maint. Supv.	\$67,754	\$71,142	\$3,388
<u>Fringe Benefits*</u>	na	na	321
<u>Tuition</u>			
<u>Reimbursement</u>	<u>0</u>	<u>4,000</u>	<u>4,000</u>
Total			\$7,709

**Fringe benefits reflect retirement contributions and FICA percentages on the salary increases.

Comment:

The net additional annual cost to the City would be for the term of the current MOU contract, which would be for the period of July 1, 1996 through June 30, 1998. Other terms related to wages and tuition reimbursement may be specified in a newly negotiated contract commencing in FY 1998-99.

Recommendation:

Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

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BUDGET ANALYST

Item 10 - File 93-95-30.1

Department: Department of Human Resources (DHR)

Item: Ordinance adopting and implementing Amendment No. 1 to the Memorandum of Understanding between the Deputy Sheriff's Association and the City and County of San Francisco to correct a clerical error for the period July 1, 1995 through June 30, 1998.

Description: Amendment No. 1 to the MOU between the Deputy Sheriff's Association and the City and County of San Francisco has been previously ratified by the Board of Supervisors and the fiscal provisions were also previously implemented by ordinance. However, the DHR advises that the MOU has been found to contain a clerical error in Article III Pay, Hours, and Benefits, Section D.

The proposed ordinance would correct a clerical error to specify that a 7.5 percent per hour premium pay would be extended to (additions are underlined):

"An 8304 Deputy Sheriff, 8306 Senior Deputy Sheriff and 8308 Sheriff's Sergeant who is assigned to perform the duties of Acting Watch Commander at Jails #1, #2, #3, #7, #8, #9, Hall of Justice Courts (in the absence of an 8310 Sheriff's Lieutenant), the Alternative Program Division (in the absence of an 8308 Sheriff's Sergeant) and the 2nd watch of San Francisco General Hospital (SFGH) Security wing."

County Jails #1 and #2 are located in the Hall of Justice, County Jails #3 and #7 are located in San Bruno. The newly constructed County Jails #8 and #9 are located on 7th Street. The Alternative Program Division is located at 930 Bryant Street.

Comments: 1. According to Alice Villagomez of the DHR, the proposed corrected language in the Pay, Hours and Benefits section is for purposes of clarity and conforms with the intent of the provisions as they were negotiated. Ms. Villagomez reports that because these classifications are currently receiving this 7.5 percent pay premium, the proposed Amendment to the existing MOU would not result in any fiscal impact to the City.

2. As of the writing of this report, the Controller has not performed a detailed analysis of the proposed Amendment.

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However, based upon the information provided, the Budget Analyst has determined that the proposed ordinance would not result in any additional cost to the City, because the Amendment to the MOU conforms to current practices.

Recommendation: Approve the proposed ordinance.

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Items 11, 12, 13 and 14 - Files 93-95-50.1, 93-95-50.2, 93-95-51.1, and 93-95-51.2

Department: Department of Human Resources (DHR)

Items: Item 11, File 93-95-50.1 - Ordinance amending Ordinance No. 381-95 to implement the provisions of **Amendment No. 1** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 1** and the City and County of San Francisco to be effective from the date of final Board approval through June 30, 1999.

Item 12, File 93-95-50.2 - Ordinance amending Ordinance No. 391-95 to correct clerical errors by adopting and implementing the provisions of **Amendment No. 2** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 1** and the City and County of San Francisco to be effective July 1, 1995 through June 30, 1999.

Item 13, File 93-95-51.1 - Ordinance amending Ordinance No. 382-95 to implement the provisions of **Amendment No. 1** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 2** and the City and County of San Francisco to be effective from the date of final Board approval through June 30, 1999.

Item 14, File 93-95-51.2 - Ordinance amending Ordinance No. 391-95 to correct clerical errors by adopting and implementing the provisions of **Amendment No. 2** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 2** and the City and County of San Francisco to be effective July 1, 1995 through June 30, 1999.

Description: The proposed legislation (Files 93-95-50.1 and 93-95-51.1) would implement provisions of Amendments Nos. 1 between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for Bargaining Unit 1 and Bargaining Unit 2. According to Ms. Alice Villagomez of the DHR, this Amendment would clarify that Bargaining Units 1 and 2 would have the ability to negotiate and resolve disputes regarding changes to the Civil Service rules as provided for in the provisions of the San Francisco Charter.

The proposed legislation (File 93-95-50.2 and File 93-95-51.2) would also correct the language regarding certain pay premiums for both Bargaining Unit 1 and Bargaining Unit 2.

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According to Ms. Villagomez, the clerical error would correct certain premium pay rates which are currently in effect for FY 1995-96.

The proposed legislation (File 93-95-50.2 and File 93-95-51.2) would correct the following clerical errors:

	Hourly Premium Pay Rate in Current MOU (to be deleted)	Hourly Premium Pay Rate in Amendment (to be added)
<u>Bargaining Unit 1</u>		
Captains	\$211	\$206
Lieutenants	184	181
Firefighters	159	155
<u>Bargaining Unit 2</u>		
Assistant Chiefs	\$292	\$285
Battalion Chief	253	248

Comments:

1. As noted, the proposed legislation 1) would clarify certain negotiation provisions as already provided for in the San Francisco Charter, and 2) would provide for a correction to premium pay rates which are currently in effect for FY 1995-96. Therefore, the proposed ordinance would have no net effect on the cost to the City because the lower rates are already being paid.

2. As of the writing of this report, the Controller has not performed a detailed analysis of the proposed Amendment. However, based upon the information provided, the Budget Analyst has determined that the proposed ordinance would not result in any additional cost to the City.

Recommendation: Approve the proposed ordinances.

BOARD OF SUPERVISORS
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Item 15 - File 25-96-6

Department: Department of Parking and Traffic (DPT)

Item: Resolution concurring with the Controller's certification that security guard services at 1380 Howard Street, Suite 1000, can be performed by a private contractor for a lower cost than similar services performed by City and County employees.

Services to be Performed: Security services at 1380 Howard Street, Suite 1000

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for security services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$39,600	\$46,764
Fringe Benefits	<u>12,071</u>	<u>13,203</u>
Total	\$51,671	\$59,967
<u>Contractual Services Cost</u>	<u>32,096</u>	<u>32,096</u>
<u>Estimated Savings</u>	<u>\$19,575</u>	<u>\$27,871</u>

Comments:

1. Security services at 1380 Howard Street, Suite 1000, for the DPT were certified as required by Charter Section 8.300-1 on February 28, 1996, and have neither been contracted out previously nor have they been performed previously by City employees at this location.
2. In November of 1995, the Hearing Division and Parking Citation Division within the DPT moved from the Hall of Justice, which is a Police Department facility, to a new location at 1380 Howard Street. According to Ms. Lisa Stephenson of DPT, the new location is not a Police Department facility and does not provide security services.

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Ms. Stephenson states that security services are requested at 1380 Howard Street, Suite 1000, to protect staff and secure the City's parking ticket revenues.

On September 28, 1995, the Board of Supervisors approved a new lease of real property at 1380 Howard Street for the DPT's Hearing Division and Parking Citation Division (File No. 64-95-6). The term of the lease is 10 years and 8 months, commencing on November 10, 1995, and expiring on June 30, 2006.

3. Ms. Stephenson reports that the source of funds for the security guard services and the real property lease is the DPT's FY 1995-96 and FY 1996-97 budgets.

4. Ms. Stephenson states that the Department is issuing Invitations for Bids for security services at 1380 Howard Street, Suite 1000. The selection of a contractor is subject to approval of the proposed resolution. According to Ms. Stephenson, the Invitation for Bids will be extended to MBE firms, and health benefits were included in the estimates submitted by three contractors.

5. Ms. Stephenson states that security services at 1380 Howard Street will be provided to 71 DPT employees in the Hearing Division and Parking Citation Division who occupy Suite 1000. The Hearing Division conducts hearings regarding parking citations and impounded vehicles. The Parking Citation Division collects fees and fines from citizens who choose to pay in-person.

6. The Contractual Services Costs used for the purpose of this analysis is the cost budgeted in this contract for FY 1995-96 and FY 1996-97.

7. The Controller's supplemental questionnaire with the Department's responses, including MBE/WBE status of the contractor, is attached.

Recommendation: Approve the proposed resolution.

DEPARTMENT: Department of Parking & Traffic

CONTRACT SERVICES: Security Services, 1380 Howard Street #1000

CONTRACT PERIOD: 11/15/95 - 06/30/97

- (1) Who performed activity/service prior to contracting out?

These services have not been performed before at 1380 Howard Street, #1000 for the Parking Citation Division and Hearing Division.

- (2) Number of City employees laid off as a result of contracting out?

None.

- (3) Explain disposition of employees if they were not laid off?

The Department has no employees doing this currently.

- (4) What percentage of City employee's time is spent on services to be contracted out?

None.

- (5) How long have the services been contracted out? is this likely to be a one-time or an ongoing request for contracting out?

These services have not been contracted out before. At this time, it is requested that this be a ongoing request for contracting out.

- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

This would be the first year for services at our new location.

- (7) How will contract services meet the goals of your MBE/WBE Action Plan?

Services will be put out to bid through the Purchasing Department under applicable ordinances.

- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?

No this contract does not require that the contractor provide health insurance. However, sample bids obtained do incorporate health benefits for staff.

Department Representative: Lisa Stephenson

Telephone Number: (415) 255-3961

Memo to Government Efficiency and Labor Committee
May 30, 1996 Government Efficiency and Labor Committee Meeting

Item 16 - File 25-96-7

Department: Chief Administrative Officer

Item: Resolution concurring with Controller's certification that convention facilities management operations and maintenance services can continue to be practically performed at Brooks Hall, Civic Auditorium and Moscone Center by private contractor for lower cost than similar work services performed by City and County employees.

Services to be Performed: Convention Facilities Management Operation and Maintenance Services at Brooks Hall, Civic Auditorium and Moscone Center

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for convention facilities management operation and maintenance service at Brooks Hall, Civic Auditorium and Moscone Center for Fiscal Year 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$7,177,189	\$8,315,905
Fringe Benefits	<u>2,147,372</u>	<u>2,283,092</u>
Total	\$9,324,561	\$10,598,996
<u>Contractual Services Cost</u>	<u>8,752,211</u>	<u>8,752,211</u>
<u>Estimated Savings</u>	<u>\$572,350</u>	<u>\$1,846,785</u>

Comments: 1. According to Mr. Matthew Hymel of the Controller's Office, both City and contract cost estimates do not include operating costs that would be the same under either scenario, and these operating costs would not affect the estimated cost savings.

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2. Convention facilities management and maintenance services for Brooks Hall, Civic Auditorium and Moscone Center were first certified as required by Charter Section 8.300-1 in fiscal year 1980-81 and have been provided by an outside contractor since then.

3. The current five-year contract, which expires on June 30, 1999, is held in joint venture by Spectacor Management Group (SMG), a non MBE firm, and Thigpen Limited Incorporated, a City-certified MBE firm. SMG holds 75% of the contract and Thigpen Limited holds 25% of the contract. SMG and Thigpen provide health insurance for their employees.

4. The contractual service cost used for the purpose of this analysis is the cost budgeted in this contract for Fiscal Year 1996-97.

5. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of this contract, is attached.

Recommendation: Approve the proposed resolution.

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CHAPTER 8.300-1 (PROPOSITION J) QUESTIONNAIREDEPARTMENT: Convention FacilitiesContract Services: Operator ContractContact Period: 07/01/96 to 06/30/97

(1) Who performed activity/service prior to contracting out?

City Employees

(2) Number of City employees laid off as a result of contracting out?

-0-

(3) Explain disposition of employees if they were not laid off?

City employees elected to work for the contractor.

(4) What percentage of City employee's time is spent on services to be contracted out?

-0-

(5) How long have the services been contracted out? Is this likely to be a one-time or an on-going request for contracting out?

16 years. On-going

(6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

1981-82. Yes

(7) How will contract services meet the goals of your MBE/WBE Action Plan?

Contract is joint-venture which includes a certified local MBE.

Department Representative: Jack MoerschbaeherTelephone Number: 554-6178

Item 17 - File 25-96-8

Department: Real Estate Department

Item: Resolution concurring with the Controller's certification that Security Services at the Permit Center at 1660 Mission Street and 25 Van Ness Avenue can continue to be practically performed a by private contractor for lower cost than similar work services performed by City and County employees.

Services to be Performed: Security Services at two City-owned buildings located at a) 1660 Mission Street, which is used as a Permit Center for the Department of Building Inspection and City Planning, and b) 25 Van Ness Avenue.

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for security services for FY 1996-97 at 1660 Mission Street would result in an estimated savings of between \$87,007 and \$115,364 (based on a low salary step and a high salary step, respectively).

1660 Mission City-Operated Service Costs	Lowest Salary Step	Highest Salary Step
Salaries	\$130,953	\$154,643
Fringe Benefits	<u>46,983</u>	<u>51,650</u>
Total	\$177,936	\$206,293
<u>Contractual Services Cost</u>	<u>90,929</u>	<u>90,929</u>
<u>Estimated Savings</u>	<u>\$87,007</u>	<u>\$115,364</u>

The Controller has also determined that contracting for security services for FY 1996-97 at 25 Van Ness Avenue would result in estimated savings of between \$87,537 and \$115,930 (based on a low salary step and a high salary step, respectively).

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<u>25 Van Ness Avenue</u> <u>City-Operated Service Costs</u>	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
Salaries	\$134,555	\$158,895
Fringe Benefits	<u>43,588</u>	<u>47,641</u>
Total	\$178,143	\$206,536
<u>Contractual Services Cost</u>	<u>90,606</u>	<u>90,606</u>
<u>Estimated Savings</u>	<u>\$87,537</u>	<u>\$115,930</u>

Comments:

1. Security Services at 1660 Mission Street were first certified as required by Charter Section 8.300-1 in 1994 and have been contracted out continuously since then.

Security Services at 25 Van Ness Avenue were first certified as required by Charter Section 8.300-1 in 1992 and have been contracted out continuously since then.

2. According to Mr. Larry Jacobson of the Department of Real Estate, the Department of Real Estate is issuing Invitations for Bids for security services at 1660 Mission Street and 25 Van Ness Avenue. Selection of a contractor(s) is subject to approval of the proposed resolution. According to Mr. Jacobson, the Invitation for Bids will be extended to MBE, WBE and LBE firms as determined by the Human Rights Commission's guidelines.

3. The current contract for 1660 Mission Street expires on June 30, 1996 and is with McCoy's Patrol Service, an MBE firm. Mr. Jacobson reports that McCoy's Patrol Service was one of four bidders for the contract that began on April 1, 1994. McCoy's Patrol Service does not provide health insurance for its employees. Mr. Jacobson advises that the subject contract will urge the contractor to provide health insurance for its employees during the term of the agreement.

The current contract for 25 Van Ness Avenue expires on June 30, 1996 and is with McCoy's Patrol Service. According to Mr. Jacobson, McCoy's Patrol Service was one of four bidders for the contract that began on July 1, 1992.

4. Mr. Jacobson reports that the building at 25 Van Ness Avenue is 81 percent occupied by City offices and 19 percent occupied by non-City tenants. The City offices include the Arts Commission, Commission on Aging, Commission on the

Status of Women, Human Rights Commission, Department of Public Health's AIDS Office, Department of Parking and Traffic, Public Guardian, Real Estate Department, Rent Arbitration Board, Sheriff's Investigative Services Division, Unreinforced Masonry Building (UMB) Seismic Safety Task Force, Mayor's Youth Forum, Mayor's Office of Housing, Mayor's Office of Community Development, Mayor's Office on Homelessness and the Tax Collector's Business Tax Office. The City provides security services for the entire building, including four non-City tenants.

The Permit Center at 1660 Mission Street is occupied by the Department of Building Inspection and City Planning.

5. The Contractual Services Costs used for the purpose of this analysis is the current contractor's estimated costs of providing security services for FY 1996-97 at the two locations.

6. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor, is attached.

Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

Department: Real Estate

Contract Services: Security Guard Service 1663-1134063

Contract Period: 5/1/96 to 6/30/98

- (1) Who performed activity/service prior to contracting out? McCoy Patrol Service has provided security service beginning April 1, 1994, the date of initial building occupancy.
- (2) Number of City employees laid off as a result of contracting out? None.
- (3) Explain disposition of employees if they were not laid off? Not applicable.
- (4) What percentage of City employee's time is spent on services to be contracted out? None.
- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out? Beginning April 1, 1994 - Ongoing.
- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year? 1993-94 - Yes.
- (7) How will contract services meet the goals of your MBE/WBE Action Plan? Proposed contract for FY 96-98 will be bided with H.R.C. approval.
- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees? No. They do not.

Department Representative: Allan B. Lucas
Real Property Officer

Telephone: (415) 554-9866

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CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

Department: Real Estate

Contract Services: Security Guard Service *L.V. Von Neumann*

Contract Period: 7/1/96 to 6/30/98

- (1) Who performed activity/service prior to contracting out?
McCoy Patrol Service has provided security service beginning July 1, 1992.
- (2) Number of City employees laid off as a result of contracting out? None.
- (3) Explain disposition of employees if they were not laid off? Not applicable.
- (4) What percentage of City employee's time is spent on services to be contracted out? None.
- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?
Beginning July 1992 - Ongoing.
- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?
1992-93 - Yes.
- (7) How will contract services meet the goals of your MBE/WBE Action Plan?
Proposed contract for FY 96-98 will be bid with H.R.C. approval.
- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?
The bid document will urge the successful bidder to provide health insurance for its employees.

Department Representative: Larry Jacobson
Senior Real Property Officer

Telephone: (415) 554-9863

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Item 18 - File 25-96-9

Department: Real Estate Department

Item: Resolution concurring with the Controller's certification that Janitorial Services at the Permit Center at 1660 Mission Street and 25 Van Ness Avenue can continue to be practically performed by a private contractor for lower cost than similar work services performed by City and County employees.

Services to be Performed: Janitorial services at two City-owned buildings located at a) 1660 Mission Street, which is used as a Permit Center for the Department of Building Inspection and City Planning, and b) 25 Van Ness Avenue.

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for janitorial services for FY 1996-97 at 1660 Mission Street would result in an estimated savings of between \$88,406 and \$116,383 (based on a low salary step and a high salary step, respectively).

1660 Mission	Lowest	Highest
<u>City-Operated Service Costs</u>	<u>Salary</u>	<u>Salary</u>
	<u>Step</u>	<u>Step</u>
Salaries	\$131,135	\$154,850
Fringe Benefits	<u>41,471</u>	<u>45,732</u>
Total	\$172,606	\$200,582
Window Cleaning	<u>1,300</u>	<u>1,300</u>
Total City Cost	\$173,906	\$201,882
<u>Contractual Services Cost</u>	<u>85,500</u>	<u>85,500</u>
<u>Estimated Savings</u>	<u>\$88,406</u>	<u>\$116,382</u>

The Controller has also determined that contracting for janitorial services for FY 1996-97 at 25 Van Ness Avenue would result in estimated savings of between \$82,086 and

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\$121,350 (based on a low salary step and a high salary step, respectively).

	Lowest Salary Step	Highest Salary Step
25 Van Ness Avenue		
<u>City-Operated Service Costs</u>		
Salaries	\$184,881	\$218,352
Fringe Benefits	<u>56,205</u>	<u>61,778</u>
Total	\$241,086	\$280,130
 Estimated Materials & Supplies	<u>15,000</u>	<u>15,000</u>
Total City Cost	\$256,086	\$295,130
 <u>Contractual Services Cost</u>	<u>174,000</u>	<u>174,000</u>
 <u>Estimated Savings</u>	<u>\$82,086</u>	<u>\$121,130</u>

Comments:

1. Janitorial services at 1660 Mission Street and were first certified as required by Charter Section 8.300-1 in 1994 and have been contracted out continuously since then.

Janitorial services at 25 Van Ness Avenue were first certified as required by Charter Section 8.300-1 in 1992 and have been contracted out continuously since then.

2. According to Mr. Larry Jacobson of the Department of Real Estate, the Department of Real Estate is issuing Invitations for Bids for janitorial services at 1660 Mission Street and 25 Van Ness Avenue. Selection of a contractor(s) is subject to approval of the proposed resolution. According to Mr. Jacobson, the Invitation for Bids will be extended to MBE, WBE and LBE firms as determined by the Human Rights Commission's guidelines.

3. The current contract for 1660 Mission Street expires on June 30, 1996 and is with Wards Building Maintenance, an MBE firm. According to Mr. Jacobson, Wards Building Maintenance was one of five bidders for the contract that began on April 1, 1994. Wards Building Maintenance does not provide health insurance for its employees. Mr. Jacobson advises that the subject contract will urge the contractor to provide health insurance for its employees during the term of the agreement.

The current contract for 25 Van Ness Avenue expires on June 30, 1996 and is with Wards Building Maintenance. According

to Mr. Jacobson, Wards Building Maintenance was one of three bidders for the contract that began on July 1, 1992.

4. Mr. Jacobson reports that the building at 25 Van Ness Avenue is 81 percent occupied by City offices and 19 percent occupied by non-City tenants. The City offices include the Arts Commission, Commission on Aging, Commission on the Status of Women, Human Rights Commission, Department of Public Health's AIDS Office, Department of Parking and Traffic, Public Guardian, Real Estate Department, Rent Arbitration Board, Sheriff's Investigative Services Division, Unreinforced Masonry Building (UMB) Seismic Safety Task Force, Mayor's Youth Forum, Mayor's Office of Housing, Mayor's Office of Community Development, Mayor's Office on Homelessness and the Tax Collector's Business Tax Office. The City provides security services for the entire building, including four non-City tenants.

The Permit Center at 1660 Mission Street is occupied by the Department of Building Inspection and City Planning.

5. The Contractual Services Costs used for the purpose of this analysis is the current contractor's estimated costs of providing janitorial services for FY 1996-97 at the two locations.

6. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor, is attached.

Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

Department: Real Estate

Contract Services: Janitorial Service *1660 Mission*

Contract Period: 7/1/96 to 6/30/98

- (1) Who performed activity/service prior to contracting out? Ward's Building Maintenance, Inc. has provided janitorial service beginning April 1, 1994, the date of initial building occupancy.
- (2) Number of City employees laid off as a result of contracting out? None.
- (3) Explain disposition of employees if they were not laid off? Not applicable.
- (4) What percentage of City employee's time is spent on services to be contracted out? None.
- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out? Beginning April 1, 1994 - Ongoing.
- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year? 1993-94 - Yes.
- (7) How will contract services meet the goals of your MBE/WBE Action Plan? Proposed contract for FY 96-98 will be bidded with H.R.C. approval.
- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees? No. They do not.

Department Representative: Allan B. Lucas
Real Property Officer

Telephone: (415) 554-9866

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CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

Department: Real Estate

Contract Services: Janitorial Service - 21 Ventana

Contract Period: 7/1/96 to 6/30/98

- (1) Who performed activity/service prior to contracting out?
Ward's Building Maintenance, Inc. janitorial service beginning July 1, 1992.
- (2) Number of City employees laid off as a result of contracting out? None.
- (3) Explain disposition of employees if they were not laid off? Not applicable.
- (4) What percentage of City employee's time is spent on services to be contracted out? None.
- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?
Beginning July 1992 - Ongoing.
- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?
1992-93 - Yes.
- (7) How will contract services meet the goals of your MBE/WBE Action Plan?
Proposed contract for FY 96-98 will be bid with H.R.C. approval.
- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?
The bid document will urge the successful bidder to provide health insurance for its employees.

Department Representative: Larry Jacobson
Senior Real Property Officer

Telephone: (415) 554-9863

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Item 19 - File 27-96-6

Department: Airport

Item: Ordinance approving a modification of a Financial Services Lease between Bank of America NT & SA and the City and County of San Francisco for Bank of America financial services provided at the Airport.

Description: The Airport reports that the Financial Services Lease between the City and Bank of America NT & SA for Bank of America's provision of banking services at the Airport for travelers and Airport employees is due to expire on August 22, 1996. Banking services are currently provided at three Automatic Teller Machines (ATMs) locations in each of the three Airport terminals. In addition, Bank of America currently has three branches which serve the Airport, one branch located in the International Terminal one branch located in the North Terminal and one stand-alone branch located at the north end of the Airport.

Mr. Bob Rhoades of the Airport advises that under the Airport's current Master Plan construction schedule, a new Financial Services Lease could only be bid for a term of approximately three years prior to the opening of the new International Facilities Complex and conversion of the existing International Terminal to domestic use. Mr. Rhoades states that the Airport believes that a three-year term for a new lease would not be a sufficient time period to attract bidders given the investment required and the uncertainties regarding the provision of banking services at the existing Airport locations due to the Master Plan construction work now underway at the Airport.

Accordingly, the Airport is proposing to modify the current Financial Services Lease with Bank America to, in part, extend the term of the Lease from August 23, 1996 to May 4, 1999 or approximately 2 years and four and 1/2 months. The lease modification would also (1) allow Bank of America to install two additional ATMs each in the North, International and South Terminal areas of the Airport in addition to the three which are there now, (2) delete the stand-alone Bank of America branch located at the north end of the Airport leaving one branch site each at the International and North Terminals and (3) delete the requirement that Bank of America provide rental of safety deposit boxes because there will be insufficient facilities for this service when banking services are no longer provided at the stand-alone Bank of America branch located at the north end of the Airport.

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Mr. Rhoades advises that the Airport plans to re-bid the lease for the banking services approximately one year prior to the opening of the new International Facilities Complex at the Airport noted above, which is scheduled to open by mid-1999.

Comment: Mr. Rhoades reports that Bank of America presently pays the Airport \$210,000 annually in rent plus Consumer Price Index (CPI) adjustments for all of its facilities and pays no percentage of gross receipts to the Airport. The \$210,000 rent amount would remain the same over the proposed extended life of the lease.

Recommendation: Approve the proposed ordinance.

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Item 20 - File 64-96-4

Department: Police Department
Department of Real Estate

Item: Resolution authorizing the month-to-month lease agreement for One Jones Street for the San Francisco Police Department's Tenderloin Task Force Retroactive to 3/1/95.

Location: The basement of One Jones Street (Formerly the Hibernia Bank Building)

Purpose of Lease: Provide headquarters for the Police Department's Tenderloin Task Force, which is the Police Department's 10th District Station, comprised of approximately 85 personnel, including Sergeants, Lieutenants, Police Officers and civilians.

Lessor: Mr. Thomas Lin Yin

Lessee: Police Department

No. of Sq. Ft. and Cost Per Month: 18,000 square feet at \$0.25694 per square foot or \$4,625 per month.

Annual Cost: \$55,500

Increase over 1994-95: This is a new cost. Historically, the Police Department has not paid to occupy space at One Jones Street (See Comment No. 1).

Term of Lease: Retroactive to March 1, 1995. The lease is a month-to-month lease.

Utilities and Janitor Provided by Lessor: No

Right of Renewal: The Real Estate Department did not include an extension option within the proposed lease agreement.

Source of Funds: The proposed retroactive rent of \$4,625 monthly would be funded from the Police Department's FY 1995-96 General Fund Budget. The Controller has certified the availability of \$69,500, or \$4,625 per month for a 16 month period retroactive to March 1, 1995 through June 30, 1996, less a credit adjustment of \$4,500 for miscellaneous repairs to the

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building that were performed by the City. Officer Tom Strong of the Police Department advises that the Police Department's FY 1996-97 budget request includes an amount of \$55,500 for the subject lease payments.

Description:

The proposed resolution would authorize the Police Department to enter into a retroactive lease agreement with Mr. Thomas Lin Yin, the owner of One Jones Street, which would allow the Police Department to continue to utilize One Jones Street as the headquarters for the Tenderloin Task Force. The Tenderloin Task Force is the Police Department's 10th District Station, comprised of approximately 85 personnel, including Sergeants, Lieutenants, Police Officers and Civilians.

According to Ms. Claudine Venegas of the Real Estate Department, Mr. Yin purchased the subject building in January of 1995, and subsequently began negotiating a lease agreement with the Real Estate Department for the Police Department's occupancy of the subject building. Ms. Venegas advises that the lease negotiations were delayed primarily due to the owner. However, Ms Jodi Fedor of the City Attorney's Office advises, some delay was caused by the City during the Police Department's recent top management transition.

Lieutenant Fagan advises that the Police Department has occupied the basement of One Jones Street as the headquarters for the Tenderloin Task Force since 1990. However, Lieutenant Fagan advises, the owner of the building prior to Mr. Yin did not charge the Police Department rent to occupy the subject building. When the building was purchased by Mr. Yin in January of 1995, Mr. Yin requested that the Police Department enter into a lease agreement in order to continue occupying the space.

Ms. Venegas advises that the Real Estate Department has negotiated a month-to-month lease agreement with Mr. Yin, at a proposed rental rate of \$4,625 per month retroactive to March 1, 1995, which is subject to approval by the Board of Supervisors. Ms. Fedor advises that the inclusion of retroactive payments in the proposed lease agreement was an integral part of the lease negotiations and a condition for the owner to consent to a month-to-month lease, and to allow the City's continued occupancy of the space while the lease was negotiated.

Ms. Venegas advises that the proposed lease was negotiated on a month-to-month basis because the One Jones Street

building does not comply with the requirements of the Americans with Disabilities Act (ADA), and there are no off-street vehicle parking spaces for the Tenderloin Task Force. However, Lieutenant Fagan advises, that approval of the proposed lease agreement would enable the Police Department to maintain a police presence in the Tenderloin until a permanent facility is located. According to Ms. Venegas, locating a permanent facility in the Tenderloin is expected to require approximately 12-18 months because of the difficulty in locating buildings that are seismically sound and meet ADA requirements.

Ms. Fedor advises that the City is not obligated to make rental payments under the proposed lease agreement, until such time as the agreement is approved by the Board of Supervisors. However, Ms. Fedor advises that, based on the position taken by the owner's representatives during negotiations, if the Police Department does not provide retroactive lease payments, the owner of the property would not agree to the negotiated month-to month lease and would likely take steps to evict the City and sue the City for the rental value of the property for the time period which the Police Department has occupied the building without paying rent. In addition, Ms. Fedor advises, that during the lease negotiations, the owner's attorney has twice threatened in writing to take these actions if the City does not promptly agree to the lease.

Comments:

1. Ms. Fedor advises that in 1990, the Board of Supervisors approved a lease agreement between the City and Security Pacific Bank, the owner of One Jones Street, to authorize the Police Department to occupy space at One Jones Street for a monthly rate of approximately \$22,000 per month. Ms. Fedor advises that at about this time, Security Pacific Bank merged with Bank of America, and the ownership of One Jones Street transferred to the Bank of America. Ms. Fedor advises that the lease agreement was never actually signed between the City and Security Pacific Bank or with the City and the Bank of America. However, Ms. Fedor advises, the Police Department has occupied the space since 1990, and has not paid rent because the Bank of America did not charge rent while it was the owner of the building. As noted above, One Jones Street was sold in January of 1995 to the current owner, who is requesting a monthly lease payment of \$4,625, retroactive to March 1, 1995.

2. Ms. Venegas advises that the City would be responsible for all utilities, janitorial and maintenance services. Officer Tom Strong of the Police Department advises that these

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utilities and services have been paid from the Police Department's annual budget since 1990. Officer Strong advises that there would be no retroactive payments for utilities and services because the Police Department has paid the cost for these services during the period of the Police Department's occupancy of the building.

3. Ms Venegas advises that the owner has refused to provide any renovations, including renovations to meet ADA compliance standards. Therefore, under the terms of the proposed lease agreement, either party has the right to terminate the lease at any time rather than provide renovations. Ms. Venegas advises that the City currently does not have any other options for relocating the Tenderloin Task Force within the Tenderloin District.

4. Ms. Venegas advises that the proposed rent represents the fair market value for the property.

5. Approval of the proposed resolution would authorize the retroactive approval of the subject lease agreement. Therefore, the proposed resolution provides for the approval of the subject lease retroactively.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 21 - File 64-96-5

- Department:** Police Department
Sheriff's Department
Real Estate Department
- Item:** Resolution authorizing three renewal leases for parking lots located in the vicinity of Sixth and Harrison Streets described as SFX80-21, SFX80-22, and SFX80-23 for the Police Department and Sheriff retroactive to 9/1/95.
- Location:** Each of the three parking lots are located within the vicinity of the Hall of Justice, located at 850 Bryant. The location, and number of vehicle spaces of each of these parking lots is described as follows:
1. **Parking Lot SFX80-21:** Located on Ahern Way between Harriet Street and Sixth Street. There are 63 vehicle parking spaces for the Police Department.
 2. **Parking Lot SFX80-22:** Located on Morris Street between Bryant Street and Harrison Street. There are 92 vehicle parking spaces for the Sheriff's Department.
 3. **Parking Lot SFX80-23:** Located on Oak Grove between Bryant Street and Harrison Street. There are 127 vehicle parking spaces for the Police Department.
- Purpose of Lease:** The purpose of the proposed lease renewal would be to authorize the Police Department and the Sheriff's Department to continue to occupy three parking lots, of which two would be used by the Police Department and one would be used by the Sheriff's Department, for parking emergency vehicles. Emergency vehicles include all official Police Department and Sheriff's Department vehicles. Sergeant Richard Ridgeway of the Sheriff's Department advises that Parking Lot SFX80-22 is also used by the Adult Probation Department, the Coroner's Office, and the District Attorney's Office to park their City-owned vehicles.
- Lessor:** California Department of Transportation
- Lessee:**
1. **Parking Lot SFX80-21** - Police Department
 2. **Parking Lot SFX80-22** - Sheriff's Department
 3. **Parking Lot SFX80-23** - Police Department

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**No. of Sq. Ft. and
Cost Per Month:**

1. **Parking Lot SFX80-21:** 29,500 square feet at \$0.06780, or \$2,000 per month - Police Department
2. **Parking Lot SFX80-22:** 39,300 square feet at \$0.05852, or \$2,300 per month - Sheriff's Department
3. **Parking Lot SFX80-23:** 29,500 square feet at \$0.10169, or \$3,000 per month - Police Department

Annual Cost:

Parking Lot SFX80-21 and Parking Lot SFX80-23: The annual cost to the Police Department for these two parking lots would be \$60,000 (\$24,000 plus \$36,000).

Parking Lot SFX80-22: The annual cost to the Sheriff's Department for this parking lot would be \$27,600.

**% Increase
over 1995-96:**

Parking Lot SFX80-21: The current monthly rent for this Police Department Parking Lot is \$850 per month, or \$10,200 annually. The proposed annual rent of \$24,000 represents an annual increase of \$13,800, or 135 percent.

Parking Lot SFX80-22: The current monthly rent for this Sheriff's Department Parking Lot is \$800 per month, or \$9,600 annually. The proposed annual rent of \$27,600 represents an annual increase of \$18,000, or 188 percent.

Parking Lot SFX80-23: The current monthly rent for this Police Department Parking Lot is \$1,750 per month, or \$21,000 annually. The proposed annual rent of \$36,000 represents an annual increase of \$15,000, or 71 percent.

Term of Lease:

Retroactive to September 1, 1995 through August 31, 1997 (Two Years)

**Utilities and Janitor
Provided by Lessor:**

No

Right of Renewal:

None

Source of Funds:

Parking Lot SFX80-21: The proposed retroactive rent of \$2,000 per month would be funded from the Police Department's FY 1995-96 General Fund budget. The Controller has certified the availability of \$11,500 (\$20,000, or \$2,000 monthly for a ten month period retroactive to September 1, 1995 through June 30, 1996, less the amount of \$8,500 that has already been paid for this ten-month period under the current rate of \$850 per month). Officer

BOARD OF SUPERVISORS
BUDGET ANALYST

Tom Strong of the Police Department advises that the Police Department's FY 1996-97 budget request includes an amount of \$24,000 for the lease payments of the subject parking lot.

Parking Lot SFX80-22: The proposed retroactive rent of \$2,300 per month would be funded from the Sheriff's Department's FY 1995-96 General Fund budget. The Controller has certified the availability of \$15,000 (\$23,000, or \$2,300 monthly for a ten month period retroactive to September 1, 1995 through June 30, 1996, less the amount of \$8,000 that has already been paid under the current rate of \$800 per month). Sergeant Ridgeway advises that the Sheriff Department's FY 1996-97 budget request includes an amount of \$27,600 for the lease payments of the subject parking lot.

Parking Lot SFX80-23: The proposed retroactive rent of \$1,750 per month would be funded from the Police Department's FY 1995-96 General Fund budget. The Controller has certified the availability of \$12,500 (\$30,000, or \$3,000 monthly for a ten month period retroactive to September 1, 1995 through June 30, 1996, less the amount of \$17,500 that has already been paid under the current rate of \$1,750 per month). Officer Strong advises that the Police Department's FY 1996-97 budget request includes an amount of \$36,000 for the lease payments of the subject parking lot.

Description:

Ms. Claudine Venegas of the Real Estate Department advises that the City has occupied the three parking lots since December of 1990 under lease agreements previously approved by the Board of supervisors. Ms. Venegas advises that when the terms of the current leases expired in approximately 1994, the California Department of Transportation (CalTrans) advised the Real Estate Department that they would not renew the leases until such time as they could reappraise the parking lots to determine fair market value. According to Ms. Venegas, at that time, CalTrans allowed the City to remain under the holdover provisions of the lease agreements which permitted the City to occupy the subject parking lots on a month-to-month basis, subject to the provisions of the lease agreements. Ms. Venegas advises that it was a benefit to the City to continue to occupy the parking lots on a holdover basis because, until CalTrans completed its appraisals, the holdover rate was less than fair market value.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. Ms. Venegas advises that in 1995, CalTrans informed the City that they were going to advertise the subject three parking lots at a public auction. According to Ms. Venegas, at the request of the Real Estate Department, CalTrans did not advertise the three parking lots for public auction. However, the proposed rental rates for each of the three parking lots were increased to the fair market values based on CalTrans appraisals, according to Ms. Venegas. The Real Estate Department agreed to pay the higher rents retroactive to September 1, 1995, according to Ms. Venegas.

2. Ms. Venegas advises that the City would be responsible for all utilities and maintenance services. Officer Tom Strong of the Police Department advises that the cost for these utilities and maintenance services are expected to be minimal and would be absorbed within the Department's existing budget.

Sergeant Ridgeway of the Sheriff's Department advises that the cost of utilities and maintenance services are expected to be minimal and would be absorbed within the Sheriff Department's existing budget.

3. As noted above, Ms. Venegas advises that the proposed rent for the three parking lots represents the fair market value for the property.

4. The proposed lease would be for a term retroactive to September 1, 1995 through August 31, 1997. Therefore, the title and the body of the proposed resolution provides for retroactive approval of the subject lease agreements.

Recommendation:

Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Item 22 - File 95-96-1

Department: Controller's Office

Item: Resolution ordering an annual audit of the Controller's books, for Fiscal Year 1995-96 and authorizing a three-year contract with a consortium of accounting firms.

Description: Under Charter Section 3.305, the Board of Supervisors is required to order an annual audit of the Controller's books. The proposed resolution would fulfill the requirements of Charter Section 3.305 and provide authorization to the Controller to enter into a three-year contract for Fiscal Years 1996-97 through 1998-99, with the consortium of Peat Marwick and Co., Williams Adley & Company (CPAs) Associated Asian Certified Public Accounting (CPAs) and Johnson & Associates (CPAs).

Under Sections 10.4-10.4.3 of the San Francisco Administrative Code, the City's Audit Advisory Committee recommends the selection of an independent auditor to perform these audits. This Committee has five members consisting of one representative each appointed by the Mayor, the President of the Board of Supervisors and the Controller, and two public members nominated by the Mayor and approved by the Controller and the Board of Supervisors.

The consortium of Peat Marwick & Co. et. al. have provided annual audit services of the Controller's books since 1981. The current contract with Peat Marwick & Co. et. al. expires on June 30, 1996, The Controller's Office issued a Request for Proposal (RFP) on January 8, 1996 to more than 40 accounting firms. According to the Controller's Office, these firms included the "Big Six" national accounting firms, seven national and regional firms, and 28 other accounting firms, which were primarily MBE/WBE/LBE firms. In response to the RFP, the Controller's Office received six proposals (see Comment No. 5 below). The Controller's Office advises that Peat Marwick & Co. et. al. was selected because it best met the criteria outlined in the RFP.

Comments:

1. The audit fees for the audit of the Controller's books total \$195,000 for FY 1995-96 or \$6,000 more than the \$189,000 for the FY 1994-95 audit. The \$195,000 is included in the Board of Supervisors requested FY 1996-97 budget.
2. Although not included under this proposed resolution, the Controller's Office reports that Peat Marwick & Co. et. al. would also be selected under the Controller's authority,

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

pursuant to Charter Section 3.303, to perform separate departmental audits for the fiscal year ending June 30, 1996 of the Employee's Retirement System, Cleanwater Program, Health Service System, San Francisco General Hospital, Laguna Honda Hospital, and the single audit of the City's grant program's as prescribed by the U. S. General Accounting Office's Auditing and Financial Reporting guidelines. Additionally, Peat Marwick & Co. et. al. would also assist the Controller's Office in the preparation of the City's Comprehensive Annual Financial Report (CAFR). The total cost of these additional audits and the CAFR for FY 1995-96 would be \$388,000 or \$4,100 less than the \$392,100 paid for the same audits and the CAFR in FY 1994-95.

3. A summary of the audits to be awarded to Peat Marwick & Co. et. al. and the proposed fees for FY 1995-96 compared with FY 1994-95 data, is as follows:

<u>Audit</u>	<u>Audit Firm</u>	<u>Amount</u>		<u>Increase (Decrease)</u>
		<u>FY 1994-95</u>	<u>FY 1995-96</u>	
Controller's Books	Peat Marwick, et. al.	<u>\$189,000</u>	<u>\$195,000*</u>	<u>\$6,000</u>
Comprehensive Annual Financial Report (CAFR)	Peat Marwick, et. al.	\$41,800	\$38,000	(\$3,800)
Retirement System	Peat Marwick, et. al.	32,000	32,000	0
S. F. General Hospital	Peat Marwick, et. al.	66,900	71,000	4,100
Clean Water Program	Peat Marwick, et. al.	36,600	32,000	(4,600)
Health Service System	Peat Marwick, et. al.	25,600	16,000	(9,600)
Laguna Honda	Peat Marwick, et. al.	37,200	42,000	4,800
Single Audit	Peat Marwick, et. al.	<u>152,000</u>	<u>157,000</u>	<u>5,000</u>
Subtotal		<u>\$392,100</u>	<u>\$388,000</u>	<u>(\$4,100)</u>
	TOTAL	<u>\$581,100</u>	<u>\$583,000</u>	<u>\$1,900</u>

*Subject of this proposed resolution.

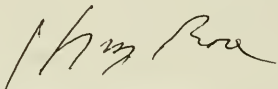
4. The Controller's Office reports that the consortium member Williams, Adley and Company is an MBE firm, as are the Associated Asian CPA firms working as part of the Peat Marwick & Co. et. al. consortium.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

5. As of the writing of this report, the Controller's Office was unable to provide information requested by the Budget Analyst regarding (1) the MBE/WBE status of the firms, the hourly rates of the firms and the percentage of MBE/WBE participation for the estimated \$583,000 in costs for the FY 1995-96 audits and (2) the names of the six firms that submitted bids along with the bid amounts and the MBE/WBE status of the firms. Mr. John Madden of the Controller's Office advises that such information will be provided to the Board of Supervisors by or before the Government Efficiency & Labor Committee meeting on May 30, 1996.

Recommendation: Approve the proposed resolution.



Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Teng
Supervisor Yaki
President Shelley
Supervisor Kaufman
Supervisor Alioto
Supervisor Bierman
Supervisor Hsieh
Supervisor Kennedy
Supervisor Leal
Clerk of the Board
Chief Administrative Officer
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee

Attn: Kate Wingerson

May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

Items 11, 12, 13 and 14 - Files 93-95-50.1, 93-95-50.2, 93-95-51.1, and 93-95-51.2

Department: Department of Human Resources (DHR)

Items: Item 11, File 93-95-50.1 - Ordinance amending Ordinance No. 381-95 to implement the provisions of **Amendment No. 1** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 1** and the City and County of San Francisco to be effective from the date of final Board approval through June 30, 1999.

Item 12, File 93-95-50.2 - Ordinance amending Ordinance No. 391-95 to correct clerical errors by adopting and implementing the provisions of **Amendment No. 2** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 1** and the City and County of San Francisco to be effective July 1, 1995 through June 30, 1999.

DOCUMENTS DEPT.

MAY 30 1996

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Item 13, File 93-95-51.1 - Ordinance amending Ordinance No. 382-95 to implement the provisions of **Amendment No. 1** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 2** and the City and County of San Francisco to be effective from the date of final Board approval through June 30, 1999.

Item 14, File 93-95-51.2 - Ordinance amending Ordinance No. 391-95 to correct clerical errors by adopting and implementing the provisions of **Amendment No. 2** to the Memorandum of Understanding between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for **Bargaining Unit 2** and the City and County of San Francisco to be effective July 1, 1995 through June 30, 1999.

Description: The proposed legislation (Files 93-95-50.1 and 93-95-51.1) would implement provisions of Amendments Nos. 1 between the San Francisco Fire Fighters Union Local 798, IAFF, AFL-CIO for Bargaining Unit 1 and Bargaining Unit 2. According to Ms. Alice Villagomez of the DHR, this Amendment would clarify that Bargaining Units 1 and 2 would have the ability to negotiate and resolve disputes regarding changes to the Civil Service rules as provided for in the provisions of the San Francisco Charter.

The proposed legislation (File 93-95-50.2 and File 93-95-51.2) would also correct the language regarding certain pay premiums for both Bargaining Unit 1 and Bargaining Unit 2.

SF
BOARD OF SUPERVISORS

BUDGET ANALYST

Recommendation for meeting of

Memo to Government Efficiency and Labor Committee
May 30, 1996 Rescheduled Government Efficiency and Labor Committee Meeting

According to Ms. Villagomez, the clerical error would correct certain premium pay rates which are currently in effect for FY 1995-96.

The proposed legislation (File 93-95-50.2 and File 93-95-51.2) would correct the following clerical errors:

	Bi-weekly Premium Pay Rate in Current MOU (to be deleted)	Bi-weekly Premium Pay Rate in Amendment (to be added)
<u>Bargaining Unit 1</u>		
Captains	\$211	\$206
Lieutenants	184	181
Firefighters	159	155
<u>Bargaining Unit 2</u>		
Assistant Chiefs	\$292	\$285
Battalion Chief	253	248

Comments:

1. As noted, the proposed legislation 1) would clarify certain negotiation provisions as already provided for in the San Francisco Charter, and 2) would provide for a correction to premium pay rates which are currently in effect for FY 1995-96. Therefore, the proposed ordinance would have no net effect on the cost to the City because the lower rates are already being paid.

2. As of the writing of this report, the Controller has not performed a detailed analysis of the proposed Amendment. However, based upon the information provided, the Budget Analyst has determined that the proposed ordinance would not result in any additional cost to the City.

Recommendation: Approve the proposed ordinances.

SF
390.31
#3

[REDACTED]

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

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June 7, 1996

JUN 11 1996

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TO: Government Efficiency and Labor Committee

FROM: Budget Analyst *Recommendations for meeting of*

SUBJECT: June 11, 1996 Government Efficiency and Labor Committee Meeting

Item 1 - File 95-96-1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of May 30, 1996.

Department: Controller's Office

Item: Resolution ordering an annual audit of the Controller's books, for Fiscal Year 1995-96 and authorizing a three-year contract with a consortium of accounting firms.

Description: Under Charter Section 3.305, the Board of Supervisors is required to order an annual audit of the Controller's books. The proposed resolution would fulfill the requirements of Charter Section 3.305 and provide authorization to the Controller to enter into a three-year contract for Fiscal Years 1996-97 through 1998-99, with the consortium of KPMG Peat Marwick LLP, Williams, Adley & Company (CPAs) Associated Asian Certified Public Accounting (CPAs) and Johnson & Associates (CPAs).

Under Sections 10.4-10.4.3 of the San Francisco Administrative Code, the City's Audit Advisory Committee recommends the selection of an independent auditor to perform these audits. This Committee has five members consisting of one representative each appointed by the Mayor, the President of the Board of Supervisors and the

Controller, and two public members nominated by the Mayor and approved by the Controller and the Board of Supervisors.

The consortium of KPMG Peat Marwick LLP, et. al. have provided annual audit services of the Controller's books since 1981. The current contract with KPMG Peat Marwick LLP, et. al. expires on June 30, 1996. The Controller's Office issued a Request for Proposal (RFP) on January 8, 1996 to more than 40 accounting firms. According to the Controller's Office, these firms included the "Big Six" national accounting firms, seven national and regional firms, and 28 other accounting firms, which were primarily MBE/WBE/LBE firms. In response to the RFP, the Controller's Office received six proposals (see Comment No. 5 below). The Controller's Office advises that KPMG Peat Marwick LLP, et. al. was selected because it best met the criteria outlined in the RFP.

Comments:

1. The audit fees for the audit of the Controller's books total \$195,000 for FY 1995-96 or \$6,000 more than the \$189,000 for the FY 1994-95 audit. The \$195,000 is included in the Board of Supervisors requested FY 1996-97 budget.
2. Although not included under this proposed resolution, the Controller's Office reports that KPMG Peat Marwick LLP, et. al. would also be selected under the Controller's authority, pursuant to Charter Section 3.303, to perform separate departmental audits for the fiscal year ending June 30, 1996 of the Employee's Retirement System, Cleanwater Program, Health Service System, San Francisco General Hospital, Laguna Honda Hospital, and the single audit of the City's grant program's as prescribed by the U. S. General Accounting Office's Auditing and Financial Reporting guidelines. Additionally, KPMG Peat Marwick LLP, et. al. would also assist the Controller's Office in the preparation of the City's Comprehensive Annual Financial Report (CAFR). The total cost of these additional audits and the CAFR for FY 1995-96 would be \$388,000 or \$4,100 less than the \$392,100 paid for the same audits and the CAFR in FY 1994-95.
3. A summary of the audits and related work to be awarded to KPMG Peat Marwick LLP, et. al. and the proposed fees for FY 1995-96 compared with FY 1994-95 data, is as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

<u>Audit</u>	<u>Audit Firm</u>	<u>Amount</u>		<u>Increase (Decrease)</u>
		<u>FY 1994-95</u>	<u>FY 1995-96</u>	
Controller's Books	KPMG Peat Marwick LLP, et. al.	<u>\$189,000</u>	<u>\$195,000*</u>	<u>\$6,000</u>
Comprehensive Annual Financial Report (CAFR)	KPMG Peat Marwick LLP, et. al.	<u>\$41,800</u>	<u>\$38,000</u>	<u>(\$3,800)</u>
Retirement System	KPMG Peat Marwick LLP, et. al.	<u>32,000</u>	<u>32,000</u>	<u>0</u>
S. F. General Hospital	KPMG Peat Marwick LLP, et. al.	<u>66,900</u>	<u>71,000</u>	<u>4,100</u>
Clean Water Program	KPMG Peat Marwick LLP, et. al.	<u>36,600</u>	<u>32,000</u>	<u>(4,600)</u>
Health Service System	KPMG Peat Marwick LLP, et. al.	<u>25,600</u>	<u>16,000</u>	<u>(9,600)</u>
Laguna Honda	KPMG Peat Marwick LLP, et. al.	<u>37,200</u>	<u>42,000</u>	<u>4,800</u>
Single Audit	KPMG Peat Marwick LLP, et. al.	<u>152,000</u>	<u>157,000</u>	<u>5,000</u>
Subtotal		<u>\$392,100</u>	<u>\$388,000</u>	<u>(\$4,100)</u>
	TOTAL	<u>\$581,100</u>	<u>\$583,000</u>	<u>\$1,900</u>

*Subject of this proposed resolution.

4. The Controller's Office reports that the consortium member Williams, Adley and Company is an MBE firm, as are the Associated Asian CPA firms working as part of the KPMG Peat Marwick LLP, et. al. consortium.

5. Attachment I , provided by the Controller's Office provides the MBE/WBE status of the firm (KPMG Peat Marwick LLP, et. al.), the hourly rates of the firm and the percentage of MBE/WBE participation for the estimated \$583,000 in costs for the FY 1995-96 work. Attachment II lists the names of the six firms that submitted bids for the overall required audit work along with the bid amounts and the MBE/WBE status of the firms.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

CITY AND COUNTY OF SAN FRANCISCO
SUMMARY OF MEMBE PARTICIPATIONFiscal years 1996-97 through 1998-99
(Audit Years 1995-96 through 1997-98)

AUDIT GROUP A (\$454,000)

Lead Firm	fiscal year 1995-96			Lead Firm	fiscal year 1996-97			Lead Firm	fiscal year 1997-98		
	mbe/ wbe	Total Hours	mbe/wbe %		mbe/ wbe	Total Hours	mbe/wbe %		mbe/ wbe	Total Hours	mbe/wbe %

Controller (Board of Supervisors)

CAFR

Single Audit
Employees Retirement System
Clean Water Program

Subtotal

REDEVELOPMENT AGENCY (1)

AUDIT GROUP B (\$129,000)

Health Services System
S.F. General Hospital
Laguna Honda Hospital

Subtotal

TOTAL

2,400	1,500	3,900	38.46%	2,150	1,500	3,650	41.10%	2,150	1,500	3,650	41.10%
500	200	700	28.57%	440	200	640	31.25%	360	160	610	31.37%
1,850	1,150	3,000	38.33%	1,790	1,150	2,940	39.12%	1,435	1,150	2,585	44.48%
700	-	700	0.00%	610	-	610	0.00%	605	-	605	0.00%
800	-	600	0.00%	685	-	585	0.00%	575	-	575	0.00%
3,650	1,350	5,000	27.00%	3,425	1,350	4,775	28.27%	2,865	1,310	4,275	30.64%
45	1,056	1,100	95.91%	40	1,035	1,075	98.28%	40	1,035	1,075	98.28%
120	100	220	45.45%	120	100	220	45.45%	110	80	190	42.11%
480	400	880	44.94%	455	400	855	46.78%	450	360	810	44.44%
460	155	615	25.20%	425	150	575	26.09%	385	150	545	27.52%
1,070	655	1,725	37.97%	1,000	660	1,650	39.39%	855	580	1,545	38.18%
7,165	4,560	11,725	38.89%	6,615	4,535	11,150	40.67%	6,110	4,435	10,545	42.06%

FAMILY RATE OF KPCV3 Real Market

Partner
Manager
Senior/In-charge
Staff
Consortium Partners
(guaranteed minimum rate)

\$ 150	\$ 156	\$ 162
\$ 82	\$ 85	\$ 89
\$ 63	\$ 66	\$ 68
\$ 51	\$ 53	\$ 55
\$ 42	\$ 44	\$ 46

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List of Six Firms which Submitted Bids

Group A:

Office of the Controller
Single Audit
Employee's Retirement System
Cleanwater Program
Redevelopment Agency

Group B:

Health Service System
S.F. General Hospital
Laguna Honda Hospital

Group C:

Muni - Financial Audit
Muni - Single Audit
Muni - TDA Compliance
Muni - Section 9/15 report
PUC - Financial Audit
Water Dept-Suburban Rate Audit

Group D:

Port - Financial Audit
Port - Single Audit
Airport - Financial Audit
Airport - Single Audit

Group E:

As needed audit services

Consortium Firms of:

Firm Selected -

1. KPMG Peat Marwick LLP,
Williams, Adley and Co. LLP, (MBE)
Associated Asian CPA Firms (MBE) and
Johnson & Associates (WBE)

Sole Bidder: bid amount -\$454,000

Consortium Firms of:

Firm Selected -

KPMG Peat Marwick LLP,
Williams, Adley and Co. LLP,
Associated Asian CPA Firms and
Johnson & Associates

Sole Bidder: bid amount -\$129,000

Consortium Firms of:

Firm Selected -

2. Coopers & Lybrand LLP
Yano and Associates (MBE)
- (See page 2 for all firms which
submitted bids plus bid amounts)

Consortium Firms of:

Firm Selected -

3. Deloitte & Touche LLP and
Mah & Louie (MBE)

(See page 2 for all firms which
submitted bids plus bid amounts)

All consortia listed in the above
Audit Groups and

Consortium Firms of:

4. Hood and Strong LLP and
Rodriguez, Peers, Delgado & Co. (MBE)

Consortium Firms of:

5. Grant Thornton LLP and
Calvin Louie (MBE)

6. Williams, Adley & Company LLP (MBE)

SUMMARY OF AUDIT FEES, HISTORIC AND PROPOSED
Attachment 2
Fiscal years 1994-95 through 1996-97
(Audit Years 1993-94 through 1995-96)

PROPOSED
CONTRACT

	FY 1996-97	Deloitte	KPMG	coopers	H&S	Grant Thornton
AUDIT GROUP C						
Muni - financial audit	\$81,300	\$ 93,300	\$88,900	n/a	n/a	n/a
Muni - Single Audit	\$14,900	\$ 10,300	\$9,900	n/a	n/a	n/a
Muni - TDA Compliance	\$4,800	\$ 2,100	\$2,000	n/a	n/a	n/a
Muni - Section 9/15	\$9,000	\$ 9,600	\$9,200	n/a	n/a	n/a
	<u>\$110,000</u>	<u>\$ 115,300</u>	<u>\$ 110,000</u>			
Water/HH - financial audit	\$84,400	\$ 77,100	\$65,000	n/a	n/a	n/a
Water/HH - Suburban Rate	\$101,100	\$ 117,600	\$105,000	n/a	n/a	n/a
	<u>\$185,500</u>	<u>\$ 194,700</u>	<u>\$ 170,000</u>			
Subtotal	\$295,500	\$310,000	\$280,000			
AUDIT GROUP D						
Port - financial audit	\$55,600	n/a	\$54,000	\$ 57,700	\$ 53,000	\$ 52,500
Port - single audit	\$10,000	n/a	\$10,000	\$ 8,300	\$ 10,000	\$ 8,500
	<u>\$65,600</u>		<u>\$ 64,000</u>	<u>\$ 66,000</u>	<u>\$ 63,000</u>	<u>\$ 61,000</u>
Allport - financial audit	\$56,200	n/a	\$52,000	\$ 58,100	\$ 56,000	\$ 49,000
Allport - Single audit	\$13,700	n/a	\$14,000	\$ 4,900	\$ 10,000	\$ 11,000
	<u>\$69,900</u>		<u>\$ 66,000</u>	<u>\$ 63,000</u>	<u>\$ 66,000</u>	<u>\$ 60,000</u>
Subtotal	\$135,500	n/a	\$130,000	\$129,000	\$129,000	\$121,000

Item 5 - File 47-96-7

Department: Department of Parking and Traffic
Parking Authority

Item: Resolution approving parking rates for the San Francisco General Hospital Medical Center Parking System.

Description: The Parking and Traffic Commission has oversight responsibility for City-owned parking facilities. This responsibility includes reviewing the parking rates charged at City-owned garages and lots, and making recommendations to the Board of Supervisor on such parking rates.

An 807-space parking garage near San Francisco General Hospital (SFGH) is to be completed in July, 1996. In January of 1996, the Board of Supervisors approved the transfer of jurisdiction and control of parking lots located on the SFGH campus to the Parking Authority and authorized monthly parking permits and transient parking rates (File 199-6-1). In addition, there is currently legislation pending before the Board of Supervisors to require a special hospital parking permit to park in street areas within the property lines of SFGH, and in the Paramedic parking lot, located at 2789 25th Street (File 124-96-2), as well as legislation which would approve a residential parking permit program for the area surrounding the Hospital Garage (File 40-96-3). Attachment I, provided by the Parking Authority, is a map identifying the subject parking areas.

Together, the newly constructed parking garage, the 21 parking lots located on the SFGH campus containing a total of 1,423 parking spaces, the street parking located within the property lines of SFGH, totaling 142 parking spaces, and the Paramedic Parking Lot, containing 42 parking spaces, comprise the San Francisco General Hospital Medical Center Parking System. Approval of the proposed resolution would establish parking rates for the San Francisco General Hospital Medical Center Parking System, including (1) monthly and transient parking rates at the 807-space parking garage near SFGH, (2) monthly and transient parking rates for the 21 parking lots located on the SFGH campus, and the Paramedic Parking Lot, and (3) monthly parking permit rates for the street areas within the SFGH campus. Of the 1,423 parking spaces located in the 21 SFGH campus parking lots, there are 1,178 monthly permit parking spaces, 81 metered parking spaces, and 164 parking spaces located in two attendant-monitored parking lots.

BOARD OF SUPERVISORS
BUDGET ANALYST

Comments:

1. Attachment II, provided by Mr. Ron Szeto of the Parking Authority entails a schedule of all proposed rates, including the estimated annual revenues to be generated from such rates. Approval of the proposed resolution would establish rates in the proposed areas for the first time, with the exception of a monthly rate of \$65 which has been charged for 100 reserved parking spaces located in Parking Lots, A, F, and K. Mr. Szeto advises that the revenues from these 100 parking spaces are currently collected and used by the SFGH to pay for a shuttle service between a satellite parking lot, and the SFGH. However, Mr. Szeto advises that the 100 reserved spaces in Parking Lots A, F, and K are subject to the rates in the proposed resolution because the jurisdiction and control of these parking lots was transferred to the Parking Authority as part of legislation (File 199-6-1) that was previously approved by the Board of Supervisors. Therefore, this is first time that Parking Lots A, F, and K would be subject to rates proposed by the Parking Authority.

2. Mr. Kevin Hagerty of the Parking Authority advises that in January of 1996 (File 199-96-1), the Parking Authority proposed monthly permit rates and transient parking rates, that were based on a rate survey conducted in 1995 by the DPH of hospitals located in San Francisco. Transient parking rates include attendant-monitored parking lots, and parking meters. At that time, all of the proposed rates were comparable to the rates charged by these hospitals. However, Mr. Hagerty advises, the Board of Supervisors postponed approval of the proposed rates until such time as these rates could be negotiated with the concerned labor unions. Mr. Hagerty advises that the proposed rates are the result of these negotiations.

Mr. Hagerty advises that the proposed monthly and transient parking rates, as shown in Attachment II, are now all lower than the other hospitals in the City. Mr. Hagerty advises that the Parking Authority is concerned that because the monthly garage parking rate of \$35 is equal to the monthly MUNI fast-pass rate, this will serve as a disincentive to utilize public transportation. In addition, Mr. Hagerty advises that because the currently proposed monthly permit rate of \$35 for the parking garage is \$30 less than was originally proposed, and the monthly parking lot and street parking rates of \$65 are \$20 lower than were originally proposed, the number of individuals interested in purchasing monthly parking permits may exceed the available parking spaces. According to Mr. Hagerty, the currently proposed transient parking rates are the same as were originally proposed. Mr. Hagerty advises that, because the DPT is

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

proposing lower rates than were originally recommended, the General Fund will receive approximately \$500,000 less annually in parking revenues, if the proposed resolution is approved.

Despite these concerns, Mr. Hagerty advises that the DPT is forwarding the proposed rates to the Board of Supervisors in the interest of opening the parking garage and commencing the SFGH Medical Center Parking System, as well as to respond to neighborhood parking and traffic concerns.

3. The attached map (Attachment I) indicates the street locations of the special hospital parking permit areas, the location of the SFGH garage, and the SFGH parking lots. As indicated, the special hospital permit parking areas would include:

- √ the north side of 22nd Street from Potrero Avenue to San Bruno Avenue;
- √ the south side of 22nd Street from Potrero Avenue to Vermont Street;
- √ the west side of San Bruno Avenue north of 22nd Street; and
- √ both sides of Vermont Street between San Bruno Avenue and 23rd Street.

These areas are all adjacent to San Francisco General Hospital.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

LEGEND



PATIENT/VISITOR



STAFF

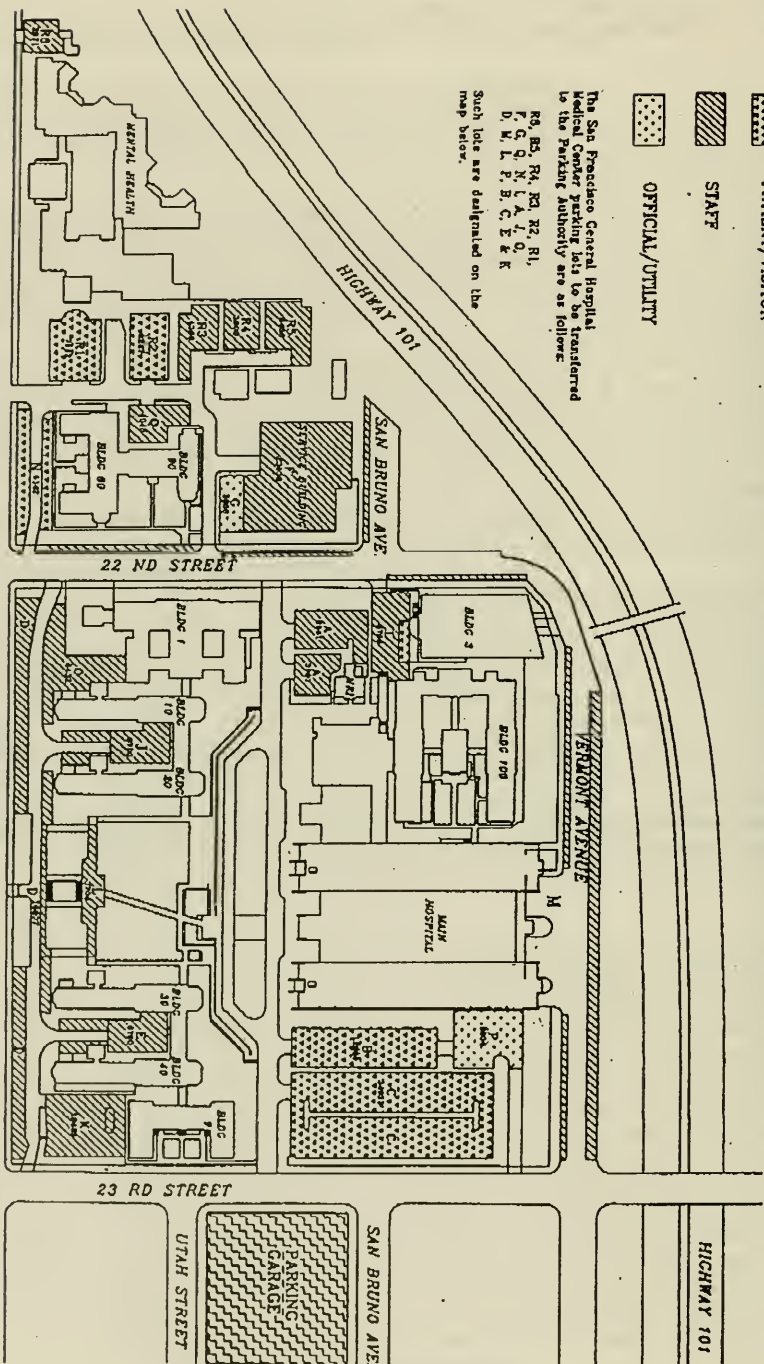


OFFICIAL/UTILITY

The San Francisco General Hospital Medical Center parking lots are transferred to the Parking Authority as follows:

R3, R4, R5, R6, R7, R1,
F, G, H, I, J, K,
D, W, L, P, B, C, E & K

Such lots are delineated on the map below.



PARKING SITE PLAN SAN FRANCISCO GENERAL HOSPITAL MEDICAL CENTER

0 50 100 150



SAN FRANCISCO GENERAL HOSPITAL PARKING SYSTEM PROPOSED PARKING RATES

Transient Parking

<u>Garage and Attended Lot</u>	Rates
0-1 Hour	\$1.00
1-2 Hours	\$2.00
2-3 Hours	\$3.00
3-4 Hours	\$4.00
4-5 Hours	\$5.00
5-6 Hours	\$6.00
6-24 Hours	\$7.00
Lost Ticket (Per Day)	\$7.00

Metered Lots

0-1 Hour	\$1.00
1-2 Hours	\$2.00

Motorcycles

(Per Day)	\$1.00
------------------	---------------

Monthly Parking

Campus	\$65.00
Garage Day / Swing	\$35.00
Garage Night / Weekends	\$25.00
Car Pool	\$35.00
Motorcycles	\$20.00

Budget Analyst

Attachment II
Page 2 of 2

**SAN FRANCISCO GENERAL HOSPITAL PARKING SYSTEM
ANNUAL
REVENUE AND OPERATING EXPENSE
PROJECTION**

	Number of Annual Parkers	Revenues (In Dollars)
<u>Parking Revenues</u>		
Transient Parkers	166,920	324,000
Monthly Permit Parkers	26,136	1,075,920
Other (Car Pool Permit)	420	14,700
Sub-Total		1,414,620
Less Parking Tax (25%)		(282,924)
Net Parking Revenue		1,131,696
<u>Operating Expenses</u>		(488,000)
<u>Operating Income</u>		643,696
<u>Debt Service (94.23%)</u>		2,033,305
<u>Profit/(loss) Subsidy</u>		(1,389,609)
General Fund Contributions to Subsidy		400,000
Parking Revenue Fund Contributions to Subsidy		989,609

Notes:

Type & Rates	Location(s)	Number of Parkers (Annual)	Revenues
Transient			
\$1.00 per hour	Campus/Garage	166,920	\$324,000
Monthly			
Rates			
\$65.00	Campus/Street Perimeter	6,648	\$432,120
\$35.00	Garage (Day/Swing)	15,660	\$548,100
\$25.00	Garage (Night/Weekend)	3,828	\$95,700
\$35.00	Street Perimeter (Car pool)	420	\$14,700
Total			\$1,414,620

Item 6 - File 106-96-2

Note: An Amendment of the Whole to the proposed ordinance will be introduced at the Government Efficiency and Labor Committee meeting on June 11. This report reflects the Amendment of the Whole.

Department: Superior Court

Item: Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Superior Court for the City and County of San Francisco.

Description: The proposed ordinance would fix compensation and other economic benefits for 28 classifications of employees of the Superior Court for FY 1996-97. The proposed ordinance, which relates to employees who are not represented by an employee organization, would be adopted pursuant to California Government Code Section 69900, and would establish economic conditions of employment and the methods of employee compensation.

The proposed ordinance would provide differing compensation changes and other provisions to the covered employees, depending upon their classification. The 28 classifications covering 115 positions are divided into four groups for purposes of making these distinctions under the proposed ordinance. The groups generally pertain to the following types of employees: (1) attorneys, (2) management information systems specialists, (3) court investigators, reporters and probate examiners, and (4) management and supervisors.

Consistent with City MOUs, employees in all 28 classifications would be eligible to request a "supervisory differential adjustment" if (1) they regularly supervise the technical content of one or more subordinate's work, and (2) their salary range is less than five percent over that of the employee being supervised. Application of the supervisory differential adjustment would be made at the discretion of the Chief Executive Officer of the Superior Court. The amount of such adjustment could not exceed five percent of the salary of the highest paid employee supervised, or ten percent of the supervisor's current basic compensation.

The proposed salary schedule for the covered employees is contained in the proposed ordinance as Appendix 1. The major fiscal provisions of the proposed ordinance are summarized for each group of classifications as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

Attorneys

The Superior Court positions covered by the provisions related to this group of classifications are:

<u>Classification</u>	<u>Current No. of Positions</u>
0174 Staff Attorney	5
0175 Senior Criminal Research Attorney	1
0676 Research Assistant	<u>10</u>
Total Positions	16

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the employee classifications listed above would be increased by 2.5 percent effective July 1, 1996.

Administrative Leave

Each full-time employee in the above-noted classifications would continue to receive five days of administrative leave per year in addition to vacation time. These employees would not be eligible to receive overtime or compensatory time off.

Bar Dues

Each full-time Attorney, who has worked for the Superior Court for more than one year as of January 15, 1997, would continue to be reimbursed for the full amount of the annual California State Bar dues, which are currently \$480 per year.

Tuition and Educational Fund

The City would continue to provide an Educational Fund of \$3,000 for FY 1996-97. Employees in the above-noted classifications of 0174 Staff Attorney and 0175 Senior Criminal Research Attorney and those 0676 Research Assistants hired prior to September 1992 would be reimbursed up to \$500 each, subject to availability of funds, for professional training and education.

Flexible Benefit Allowance

Effective July 1, 1996, the City would, at the employee's option either contribute \$150 per month to each employee participating in the City's 125 Cafeteria Plan (this Plan provides for a tax free package of benefits to employees) or \$140 per month to each covered employee who elects to receive a direct payment for individual benefit options. The \$150

represents an increase of \$75 from the \$75 amount provided for in FY 1995-96 and the \$140 represents an increase of \$70 from the \$70 amount provided for FY 1995-96.

Life Insurance

The City would continue to provide life insurance in the amount of \$125,000 to each covered employee or make such life insurance available to each covered employee through the City's 125 Cafeteria Plan.

Retirement Pick-up

City employees formally contributed 7.5 to 8 percent of their wages through payroll deduction towards their retirement pensions. Under the proposed ordinance, effective July 1, 1996 the City would continue to pick-up 1.3 of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up the full 7.5 percent of the employee's share of retirement costs.

Management Information System (MIS) Specialists

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classification</u>	<u>Current No. of Positions</u>
0818 MIS Specialist II	1
0819 MIS Specialist III	4
0595 Fiscal Systems and Services Coordinator	<u>1</u>
Total Positions	6

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the employee classifications listed above would be increased by 1 percent, effective August 24, 1996, and by an additional 1.5 percent effective December 28, 1996.

Compensatory Time Off

Employees in the above-noted classifications would continue to receive compensatory time off for hours worked in excess of 40 hours per week. Compensatory time off would be earned at a rate of time and one-half.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick-up \$225 of the employees' monthly payments for health care insurance coverage for their dependents. Currently, the City picks up \$150 of these costs

Retirement Pick-up

Effective July 1, 1996, the City would pick-up 2.0 percent of the employee's share of retirement. Effective December 28, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Court Investigators, Reporters and Probate Examiners

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
0648 Court Investigator	6
0649 Probate Examiner	4
0655 FCS Counselor	6
0678 Executive Secretary	2
0710 Court Reporter	<u>30</u>
Total Positions	48

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the above-noted positions, with the exception of the 0710 Court Reporter, would receive a 2 percent increase July 1, 1996 and an additional 1.5 percent increase effective January 1, 1997. 0710 Court Reporters would not receive a wage increase because their salaries, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles, who are not expected to receive a pay increase for Fiscal Year 1996-97.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick-up \$225 of the employees' monthly payments for health care insurance coverage for their dependents. The City currently picks up \$150 of these costs.

Retirement Pick-up

Effective July 13, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Overtime Pay or Compensatory Time

If the two Executive Secretary positions work in excess of 40 hours per week, these positions would continue to receive cash overtime payments at time and one-half unless an employee requests compensatory time off in lieu of cash payments. Compensatory time off for the Court Investigator, Probate Examiner, FCS Counselor, and Court Reporter positions would continue to be earned at a rate of time and one-half. The 0710 Court Reporters would continue to be ineligible for overtime in cash or compensatory time off because their benefits, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles who do not receive these benefits.

Word Processing Premium

Above noted employees who have received a word processing premium continuously from FY 1994-95 to the present (2 employees) would continue to receive a \$0.91 per hour premium, which is the same rate paid in FY 1995-96.

Management

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
555 Chief Executive Officer	1
583 Assistant Clerk of Court	1
584 Assistant Executive Officer	1
585 Manager of Budget & Admin.	1
588 Court Coordinator	21
590 Court Assistant Senior	3
592 Payroll/Personnel Director	1
622 Deputy Jury Commissioner	1
634 Manager of Court Operations	3
636 Division Chief	5
640 Director of FCS	1
646 Assistant Director of Probate	1
647 Director of Probate	1
650 Traffic Hearing Officer	1
657 Mental Health Coordinator	1
677 Judicial Secretary Coordinator	1

BOARD OF SUPERVISORS
BUDGET ANALYST

821 Computer Coordinator	<u>1</u>
Total Positions	45

The proposed ordinance includes the following provisions for the above-noted positions;

Administrative Leave

Each full-time employee in the positions of 555 Chief Executive Officer, 583 Assistant Clerk of Court, 584 Assistant Executive Officer and 585 Manager of Budget and Administration classifications noted above would continue to receive five days of administrative leave per year. Administrative leave for these employees may not be carried forward to subsequent years and cannot be cashed out. The remaining above-noted employees would continue to receive administrative leave earned on a straight time basis for hours worked in excess of 40 hours per week. In no case would these employees be allowed to accrue more than 80 hours of administrative leave annually

Flexible Benefit Package-Payout

In FY 1995-96, the City set aside \$75 per month per covered employee for payment toward flexible benefits. Those employees who worked for the Superior Court for the entire period of October 1, 1995 to June 30, 1996, and who elected to have the amount held for them set aside, pending the development of a flexible benefit plan, would have such amount paid to them by September 1, 1996. This payout would relieve the City of all obligations regarding the flexible benefit program for FY 1995-96.

Flexible Benefit Package

The City would continue to contribute \$75 per month effective July 1, 1996 toward a flexible benefit package for the covered employees. Effective October 1, 1996 the City would contribute \$150 per month for covered employees.

Retirement Pick-up

Effective July 1, 1996 the City would pick-up 4 percent of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up 5 percent of these costs. The City currently picks up 3 percent of the employee's share of these costs.

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Comments

1. The increased annual costs to the City for the provisions listed above, as estimated by the Controller's Office, are outlined in the Attachment.
2. The Budget Analyst concurs with the Controller's estimates of the increased annual costs to the City. The Budget Analyst notes that the monies for these increased costs are currently on reserve in the Mayor's recommended 1996-97 budget.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST

Retirement Pick-up

Effective July 13, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Overtime Pay or Compensatory Time

The two Executive Secretary positions, that work in excess of 40 hours per week would continue to receive cash overtime payments at time and one-half unless an employee requests compensatory time off in lieu of cash payments. Compensatory time off for the Court Investigator, Probate Examiner, FCS Counselor, and Court Reporter positions would continue to be earned at a rate of time and one-half. The Court Reporters would continue to be ineligible for overtime in cash or compensatory time off because the classification of Court Reporters they are tied to in the County of Los Angeles, under California Government Code 70050.5, are not eligible for these benefits.

Word Processing Premium

Above noted employees who have received a word processing premium continuously from FY 1994-95 to the present (2 employees) would continue to receive a \$.91 per hour premium, which is the same rate paid in FY 1995-96.

Management

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
555 Chief Executive Officer	1
583 Assistant Clerk of Court	1
584 Assistant Executive Officer	1
585 Manager of Budget & Admin.	1
588 Court Coordinator	21
590 Court Assistant Senior	3
592 Payroll/Personnel Director	1
622 Deputy Jury Commissioner	1
634 Manager of Court Operations	3
636 Division Chief	5
640 Director of FCS	1
646 Assistant Director of Probate	1
647 Director of Probate	1
650 Traffic Hearing Officer	1
657 Mental Health Coordinator	1
677 Judicial Secretary Coordinator	1

BOARD OF SUPERVISORS
BUDGET ANALYST

821 Computer Coordinator	<u>1</u>
Total Positions	45

The proposed ordinance includes the following provisions for the above-noted positions;

Administrative Leave

Each full-time employee in the positions of 555 Chief Executive Officer, 583 Assistant Clerk of Court, 584 Assistant Executive Officer and 585 Manager of Budget and Administration classifications noted above would continue to receive five days of administrative leave per year. Administrative leave for these employees may not be carried forward to subsequent years and cannot be cashed out. The remaining above-noted employees would continue to receive administrative leave earned on a straight time basis for hours worked in excess of 40 hours per week. In no case would these employees be allowed to accrue more than 80 hours of administrative leave annually

Flexible Benefit Package-Payout

In FY 1995-96, the City set aside \$75 per month per covered employee for payment toward flexible benefits. Those employees who worked for the Superior Court for the entire period of October 1, 1995 to June 30, 1996, and who elected to have the amount held for them set aside, pending the development of a flexible benefit plan, would have such amount paid to them by September 1, 1996. This payout would relieve the City of all obligations regarding the flexible benefit program for FY 1995-96.

Flexible Benefit Package

The City would continue to contribute \$75 per month effective July 1, 1996 toward a flexible benefit package for the covered employees. Effective October 1, 1996 the City would contribute \$150 per month for covered employees.

Retirement Pick-up

Effective July 1, 1996 the City would pick-up 4 percent of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up 5 percent of these costs. The City currently picks up 3 percent of the employee's share of these costs.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Comments

1. The increased annual costs to the City for the provisions listed above, as estimated by the Controller's Office, are outlined in the Attachment.
2. The Budget Analyst concurs with the Controller's estimates of the increased annual costs to the City. The Budget Analyst notes that the monies for these increased costs are currently on reserve in the Mayor's recommended 1996-97 budget.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

BOARD OF SUPERVISORS
BUDGET ANALYST



CITY AND COUNTY OF SAN FRANCISCO

Attachment
Page 1 of 2

OFFICE OF THE CONTROLLER

Edward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

June 7, 1996

Mr. John L. Taylor, Clerk of the Board
Board of Supervisors
401 Van Ness Avenue
San Francisco, CA 94102

Re: Superior/Municipal Court Compensation and Benefits Ordinances 1996-97

Dear Mr. Taylor:

In accordance with Ordinance 92-94, I submit herewith a cost analysis of the compensation and benefit ordinances for the Superior and Municipal Courts. With the approval of the Board of Supervisors, the courts may establish compensation and benefit rates for their employees pursuant to Government Code Section 69900.

Superior Court Employees are Benchmarked to Like City Employee Groups.

The Superior Court ordinance covers about 115 employees with a salary base of approximately \$7 million. The Superior Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted other City workers performing similar duties. For example, a Superior Court management position would receive the equivalent salary and benefits increase that a Municipal Executive Association(MEA) employee is scheduled to receive.

Based our analysis, if adopted by the Board, the ordinance would result in cost increase in salary, health and retirement pick-ups of approximately \$220,000 in 1996-97 or about 3.4% of their salary base. Please refer to Attachment A which outlines the costs by category.

All Municipal Court Employees are Benchmarked to the SEIU Package.

The Municipal Court ordinance covers about 200 employees with a salary base of approximately \$9.4 million. The Municipal Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted SEIU locals in the City.

Based our analysis, if adopted by the Board, the ordinance would result in cost increases in salary, health and retirement pick-ups of approximately \$540,000 in 1996-97 or approximately 5.7% of their salary base. Please refer to Attachment B which outlines the costs by category. In addition, the ordinance contain a \$0.30 per hour longevity premium for all employees with over 10 years of services. This provision could cost the City up to an additional \$100,000 a year.

Please let me know if you have additional questions.

Sincerely,


Edward Harrington
Controller

cc: Harvey Rose, Budget Analyst

Attachment A
Superior Court
Salary Ordinance
Fiscal Year 1996-97

Description	Dependent Health Pick-Up	Retirement Pick-Up	Salary Increase	Total 1996-97 Incremental Costs
SUPERIOR COURT - MISCELLANEOUS	7,200	19,798	31,306	58,304
SUPERIOR COURT - ATTORNEYS	14,280	22,874	26,842	63,996
SUPERIOR COURT - MIS	4,050	7,210	11,055	22,315
SUPERIOR COURT - MANAGEMENT	27,412	29,267	0	56,679
SUPERIOR COURT - COURT REPORTERS	13,500	27,662	0	41,162
TOTAL	66,442	106,811	69,203	242,456

Average % increase of Salary Base: 3.38%

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Item 7 - File 106-96-3

Note: An Amendment of the Whole to the proposed ordinance will be introduced at the Government Efficiency and Labor Committee meeting on June 11. This report reflects the Amendment of the Whole.

Department: Municipal Court

Item: Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Municipal Court for the City and County of San Francisco for FY 1996-97

Description: The proposed ordinance would fix compensation and other economic benefits for 22 employee classifications of the Municipal Court. The proposed ordinance which relates to employees who are not represented by an employee organization, would be adopted pursuant to California Government Code Section 74504.5, and would establish conditions of employment and methods of employee compensation.

The Municipal Court positions covered by the proposed ordinance are as follows:

<u>Classification</u>	<u>Current No. of Positions</u>
243 Court Traffic Systems Programmer	2.0
244 Court Traffic Senior Application Programmer	1.0
246 Court Application Programmer	1.0
248 Court Technical Writer	1.0
248 Court Technical Programmer	1.0
260 Legal Advisor	1.5
270 Assistant Division Chief	6.0
273 Assistant System Coordinator	1.0
275 Assistant Fiscal Officer	1.0
278 Assistant Court Program Analyst Manager	0.5
280 Deputy Clerk	34.0
285 Executive Secretary	1.0
287 Administrative Secretary	1.0
289 Personnel and Payroll Clerk	1.0
290 Deputy Clerk	22.0
293 Interpreter Coordinator	1.0
297 Deputy Clerk	1.0
320 Deputy Clerk	27.0
330 Deputy Clerk	65.0
342 Information Clerk Supervisor	1.0
340 Information Clerk	2.0
360 Deputy Clerk	3.0
350 Court Reporter (benefits only)	<u>20.0</u>
Total	195.0

BOARD OF SUPERVISORS
BUDGET ANALYST

The proposed salary schedule for the covered employees is contained in the ordinance as Appendix 1. The major fiscal provisions of the proposed ordinance are as follow:

Wage Increases

Effective July 1, 1996, all covered employees except for the classification No. 350 Court Reporters would receive a 2 percent wage increase. Effective January 1, 1997 these employees would receive an additional 1.5 percent wage increase. The Court Reporters would not receive a wage increase because their salaries, under California Government Code Section 70050.5, are tied those of Court Reporters in the County of Los Angeles, who are not expected to receive a pay increase for Fiscal Year 1996-97.

Longevity Increase

Effective July 1, 1996, under a new provision, employees who have completed 10 years of service with the Municipal Court would receive an additional \$0.30 per hour increase.

Health Plan

The City would continue to pay \$80.81 bi-weekly for each covered employee for health benefits.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick up \$225 of the employees' monthly payments for dependent health care. Currently, the City picks up \$150 of the employees' monthly payments for dependent health care.

Dental Benefits

The City would continue to pay \$34.09 bi-weekly for each covered employee for dental benefits.

Fingerprinting

The City would continue to pay the full cost of fingerprinting employees. The current cost of fingerprinting is \$32 per employee.

Retirement Pick-up

Effective July 13, 1996, the City would pick up the full cost of the employee's share of retirement costs. Currently, the City picks up 5.5 percent of these costs. City employee's formally contributed 7.5 percent to 8 percent of their wages through payroll deduction towards their retirement pensions.

Overtime

If the Deputy Clerks, work in excess of 40 hours per week these positions would continue to receive cash payments at time and one-half, unless an employee requests compensatory time off in lieu of cash payments. Compensatory time off would be earned at the rate of time and one-half. Except for the Deputy Clerks, no other positions are eligible for cash payments for overtime, but may accrue compensatory time off at the rate of time and one-half. The Court Reporters would continue to be ineligible for overtime or compensatory time off because their benefits, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles.

Floating Holidays

In addition to those days designated as Court holidays which include 12 days per year, all employees, except for the Court Reporters, would continue to receive five additional floating holidays to be taken on days selected by the employee subject to approval of the Court. Court Reporters are not eligible because their benefits are tied to those of Court Reporters in the County of Los Angeles, who do not receive the additional five floating holidays.

Comments

1. The increased annual costs to the City for the provisions listed above, as estimated by the Controller's Office, are outlined in the Attachment.
2. The Budget Analyst concurs with the Controller's estimates of the increased annual costs to the City. The Budget Analyst notes that the monies for these increased costs are currently on reserve in the Mayor's recommended 1996-97 budget.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



CITY AND COUNTY OF SAN FRANCISCO

Attachment
Page 1 of 2
OFFICE OF THE CONTROLLEREdward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

June 7, 1996

Mr. John L. Taylor, Clerk of the Board
Board of Supervisors
401 Van Ness Avenue
San Francisco, CA 94102

Re: Superior/Municipal Court Compensation and Benefits Ordinances 1996-97

Dear Mr. Taylor:

In accordance with Ordinance 92-94, I submit herewith a cost analysis of the compensation and benefit ordinances for the Superior and Municipal Courts. With the approval of the Board of Supervisors, the courts may establish compensation and benefit rates for their employees pursuant to Government Code Section 69900.

Superior Court Employees are Benchmarked to Like City Employee Groups.

The Superior Court ordinance covers about 115 employees with a salary base of approximately \$7 million. The Superior Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted other City workers performing similar duties. For example, a Superior Court management position would receive the equivalent salary and benefits increase that a Municipal Executive Association (MEA) employee is scheduled to receive.

Based our analysis, if adopted by the Board, the ordinance would result in cost increase in salary, health and retirement pick-ups of approximately \$220,000 in 1996-97 or about 3.4% of their salary base. Please refer to Attachment A which outlines the costs by category.

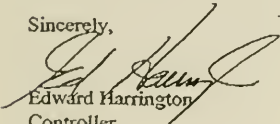
All Municipal Court Employees are Benchmarked to the SEIU Package.

The Municipal Court ordinance covers about 200 employees with a salary base of approximately \$9.4 million. The Municipal Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted SEIU locals in the City.

Based our analysis, if adopted by the Board, the ordinance would result in cost increases in salary, health and retirement pick-ups of approximately \$540,000 in 1996-97 or approximately 5.7% of their salary base. Please refer to Attachment B which outlines the costs by category. In addition, the ordinance contain a \$0.30 per hour longevity premium for all employees with over 10 years of services. This provision could cost the City up to an additional \$100,000 a year.

Please let me know if you have additional questions.

Sincerely,


Edward Harrington
Controller

cc: Harvey Rose, Budget Analyst

Attachment B
Municipal Court
Salary Ordinance
Fiscal Year 1996-97

Description	Dependent Health Pick-Up	Retirement Pick-Up	Salary Increase	Total 1996-97 Incremental Costs
MUNICIPAL COURT - MISCELLANEOUS	79,200	146,565	231,756	457,521
MUNICIPAL COURT - MANAGEMENT	4,950	16,909	26,738	48,597
MUNICIPAL COURT - COURT REPORTERS	9,000	24,672	0	33,672
TOTAL	93,150	188,146	258,493	539,789

Average % increase of Salary Base: 5.74%

Item 8 - File 65-96-10

Department: Port of San Francisco

Item: Ordinance approving a reaffirmation (reactivating a previously approved lease which did not take effect) and approving a first amendment to the lease and a consent to encumbrance with Bundox Restaurant, Inc., DBA The Waterfront Restaurant at Pier 7 1/2 (Broadway and The Embarcadero).

Location: Pier 7 1/2, Broadway at The Embarcadero

Purpose of Lease: Operation of restaurant and improvement of property by the tenant.

Lessor: Port of San Francisco

Lessee: Bundox Restaurant, Inc., DBA The Waterfront Restaurant at Pier 7 1/2.

Term of Lease: "Commencement Date" of the lease is the date when permits and financing for Phase I of the improvements to the property have been obtained as described below. If such permits and financing are not obtained by June 30, 1996, the lease is null and void. The lease term is twenty years from the date of completion of Phase I improvements. If Phase I improvements are not completed, the Port may terminate the lease on or after the second anniversary of the "Commencement Date."

Right of Renewal: Negotiable

Description: In 1994, the Board of Supervisors approved a new 20-year lease with Bundox Restaurant, Inc. for the Waterfront Restaurant and its adjacent premises, located at Pier 7 1/2 (File 65-94-17). The lease provided for significant construction and capital improvements to the property, to be made by Bundox, in two Phases. The lease would have become effective only if, by July 30, 1995, Bundox had succeeded in obtaining; (a) a permit from the Bay Conservation and Development Commission for certain developments on the property, (b) financing for Phase I of the construction, and, (c) a building permit for Phase I of the construction. Bundox was unable to obtain financing for the project in the time allotted and therefore the lease did not become effective. Since July 30, 1995, Bundox has therefore continued to operate at Pier 7 1/2 on a month-to-month basis under the terms of its existing lease with the

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Port. The existing lease had an original expiration date of March 31, 1995.

The Port advises that Bundox has now succeeded in obtaining the financing and permits necessary for Phase I of the improvements. The Port is therefore recommending that the previously approved lease be reactivated under the terms previously negotiated. In addition, a first amendment to the lease has been negotiated in association with the financing arrangements between Bundox and Bank of America and the Small Business Administration as the lender which encumber the lease with certain rights for the lender.

Major provisions of the lease, which was approved by the Board of Supervisors in 1994, and is now being proposed for reactivation, are as follows;

- Bundox would make significant capital improvements to the property at Pier 7 1/2, including improvements to the restaurant building, parking facilities and the fire lane, and construction of a new outdoor seating area and a public access area including a floating dock for transient berthing.
- Bundox would pay to the Port a base rent of \$17,500 per month, or 7 percent of all sales receipts per month, whichever is greater.
- During the Phase I period of the construction, when the restaurant may be closed, Bundox's base rent would decrease to \$5,000 per month for a period of 9 months or until the restaurant resumes beneficial occupancy, whichever is earlier.
- The base rent would be adjusted every three years for a cost of living adjustment, and, in year ten, the base rent would be adjusted to the greater of a cost of living increase, or 50 percent of the average total monthly rent for the previous three years of the lease.
- The estimated cost of the improvements noted above total \$3,400,000. The Port will pay for 50 percent of the cost of the improvements up to a maximum of \$1,700,000, with any cost in excess of \$3,400,000 to be borne 100 percent by Bundox. The Port's payments will be in the form of rent credits to be recovered by Bundox against the percentage rent received in excess of the base rent over a ten year period. As such, the Port will continue to receive its base rent amount for the entire term of the lease, and

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will only give rent credits against any amount received in excess of the base amount.

As noted above, an amendment to the lease has been requested by the lender (Bank of America and the Small Business Administration) in association with Bundox's financing arrangements. The major elements of this amendment are summarized as follows;

- If the lease is terminated, the lender shall have the right to enter into a new lease on the same terms, provided that the lender has remedied all monetary and other defaults to the Port.
- If foreclosure occurs, the lender may sell or assign the lease to a third party without the Port's consent; however, the Port has the right to approve the assignee, and the assignee must assign the lease to an approved assignee within 90 days or the Port may terminate the lease. The Port agrees to use its best efforts to pre-approve prospective bidders at a foreclosure sale.
- The Port agrees not to accept a voluntary surrender of the lease without the lender's consent, and any further amendment of the lease made without the lender's consent would not be binding on the lender in the event of a foreclosure.
- Any disposition of insurance proceeds, and any eminent domain or condemnation awards or damages payable under the lease shall be subject to the rights of the lender during the term of the loans.
- The Port waives any right to obtain a lien upon machinery, furniture, or equipment owned by Bundox during the term of the loans.

Comments:

1. Mr. Kirk Bennett of the Port advises that in FY 1994-95 Bundox paid the Port a total rental amount of \$214,877 under the existing lease arrangements. The Port estimates that in the first full year after the Phase I improvements are completed, Bundox will pay an estimated annual rental to the Port of \$455,000, or \$240,123 more annually than is generated under the existing lease.
2. Mr. Neil Sekhri of the City Attorney's Office advises that, in the City Attorney's opinion, the City's rights with respect to its property, liability, and financial interests are adequately protected under the proposed lease.

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3. In recommending the proposed lease, the Port Commission found that the lease was in accordance with its Leasing Policy for Retail Sites, which allows for direct negotiation with an existing retail tenant, as opposed to a new competitive bidding process, if; (a) the tenant is in good standing; (b) the tenant proposes to make a significant capital investment supported by a sound business plan which will benefit the Port; (c) the tenancy is in the best economic interest of the Port; and, (d) the tenant has a good record of affirmative action and non discrimination and is committed to future compliance with affirmative action efforts.

4. The Budget Analyst notes that The Waterfront has operated at Pier 7 1/2 since 1974, and has operated under the terms of its existing lease since 1988. Since 1988, significant changes have occurred in the Broadway/Embarcadero area including removal of the Embarcadero freeway, and increased economic and redevelopment activity in the area. In addition, significant improvements in infrastructure including additional public transportation access to the area with the completion of the F-Market streetcar line are planned in the next 2 to 5 years.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 9 - File 172-96-16

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Item: Ordinance authorizing the Director of Public Health to execute an agreement with Blue Cross of California for the Department of Public Health to provide health care services to Blue Cross Medi-Cal Managed Care Subscribers. The agreement includes binding arbitration and indemnification clauses that indemnify Blue Cross from any claim or liability arising from wrongful acts of the City, its agents and employees; and, agrees to binding arbitration clauses that requires all disputes arising under the contract, including disputes regarding utilization review ¹ to be resolved through binding arbitration.

Description: 1. Blue Cross is a California corporation that is licensed to operate a health care service coverage plan pursuant to State law and regulations for its subscribers. Blue Cross does not directly provide health care services. Blue Cross has been selected by the California Department of Health Services (CDHS) to provide coverage under the "mainstream plan component" of the CDHS managed care program for Medi-Cal recipients. Under the CDHS managed care program for Medi-Cal recipients, the mainstream plan element is the counterpart to the Local Initiative. In the case of San Francisco, the Local Initiative is the second component of the CDHS managed care program for Medi-Cal recipients and is administered and operated by the San Francisco Health Authority.

2. Because Blue Cross does not provide health care services directly, it contracts with local hospitals and health care providers for such direct services to Medi-Cal recipients who must subscribe to either the Local Initiative Plan or the Mainstream Plan for health care services under managed care as required by CDHS. The proposed agreement between DPH and Blue Cross to provide health care services under the mainstream plan component would establish the DPH as a contract health care service provider eligible for receipt of primary care physician referrals for delivery of inpatient and outpatient services to Medi-Cal recipients.

3. The other local hospitals and health care providers already under contract with Blue Cross for provision of such services to Medi-Cal recipients who have elected the mainstream plan are: St. Luke's Hospital, Moffitt Hospital, Mt. Zion Hospital, California

¹ Utilization Review is defined in the agreement as a function performed by Blue Cross, or an entity acting on behalf of Blue Cross, to review and determine whether the Hospital Services provided, or to be provided, are Medically Necessary.

Pacific Medical Center, Chinese Hospital, St. Mary's Hospital and St. Francis Hospital.

4. DPH and SFGH have urged approval of this proposed agreement so that SFGH can preserve its Medi-Cal eligible client base and thus continue to maintain Medi-Cal patient revenues under managed care. The DPH and SFGH also plan to execute a similar agreement with the Local Initiative component of managed care for Medi-Cal eligibles (i.e. the San Francisco Health Plan).

5. SFGH would be reimbursed for health services under this agreement on a "per diem" basis, meaning a fixed rate for a day of service for inpatient services and on a "per visit" basis for outpatient services. These rates are not disclosed in the agreement. Under the City's "Sunshine" Ordinance the Director of Public Health "may withhold from disclosure proposed and final rates of payment for managed health care contracts if the Director determines that public disclosure would adversely affect the ability of the City to engage in effective negotiations for managed health care contracts. The authority to withhold this information applies only to contracts pursuant to which the City (through the Department of Public Health) either pays for health care services or receives compensation for providing such services, including mental health and substance abuse services, to covered beneficiaries through a pre-arranged rate of payment." (Section 67.2.4(e) 2)

6. The proposed agreement stipulates that disputes arising from Blue Cross rulings on medical necessity² under the proposed utilization review procedures would be settled using binding arbitration. Binding Arbitration as a sole dispute resolution method has never been approved in a City Contract, other than for labor memorandums of understanding. According to Ms. Paula Jesson, of the City Attorney's Office, the City Attorney has determined that

² "Medically Necessary" is defined in the agreement as : services or supplies which, under the provisions of this Agreement, are determined to be:

- (1) Appropriate and necessary for the symptoms, diagnosis or treatment of the medical condition, and
- (2) Provided for the diagnosis or direct care and treatment of the medical condition, and
- (3) Within standards of good medical practice within the organized medical community, and
- (4) Not primarily for the convenience of the Member, the Member's physician or any other provider, and,
- (5) The most appropriate supply or level of service which can safely be provided. For inpatient hospital stays, this means that acute care is necessary due to the types of services the Member is receiving or the severity of the Member's condition, and that safe and adequate care cannot be received as an outpatient or other less intensified medical setting.

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binding arbitration, as proposed by this agreement, is legal under the City Charter. Ms. Jesson adds that the risks of accepting binding arbitration are that the City would have no recourse in court after an arbitration decision, that there may not be adequate discovery available to the City in a disputed matter as there would be in a court case, and that the costs of binding arbitration would have to be borne by the party seeking resolution of a dispute. In matters of utilization review, which will be controlled by Blue Cross, it is likely that the City will be the party requesting any binding arbitration of disputes over disallowed charges.

The DPH and SFGH have stated that Blue Cross would not sign this agreement without the binding arbitration provision; that the use of binding arbitration is common practice for these types of medical service contracts, that arbitration can usually settle disputes quicker than by filing a court claim and that all other hospitals now under contract with Blue Cross have agreed to this provision.

Comments:

1. According to the Department of Public Health, the Board of Supervisors will be asked to approve two additional agreements in order to position the DPH and the SFGH for the delivery of services to Medi-Cal recipients under State mandated managed care plans. These agreements will be: an agreement similar to this proposed agreement between the City (i.e. DPH and SFGH) and the Local Initiative plan (the San Francisco Medical Authority) for provision of medical services to Local Initiative plan subscribers; and, a sub-contract with UC Medical Center for provision of physician services under the managed care contracts.
2. At this time, it appears that the Blue Cross managed care program will begin operations prior to the Local Initiative program. Therefore, according to SFGH, it is all the more critical that the SFGH become signatory to the Blue Cross plan.
3. The first phase of managed care for Medi-Cal recipients will be for AFDC participants only. However, the requirements for managed care will be expanded to all Medi-Cal recipients by the State in the future.
4. The DPH is unable to provide a fiscal impact estimate for the proposed agreement at this time. As mentioned above, the DPH hopes to preserve its current Medi-Cal revenue base. However, according to Mr. Richard Cordova, Executive Administrator of SFGH, SFGH would very likely lose a portion of its current Medi-Cal clientele if it did not agree to accept patients and provide health services to Blue Cross Medi-Cal subscribers.

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5. In addition to the likely loss of Medi-Cal revenue, the SFGH would also lose disproportionate share revenue (i.e., SB 855 and SB 1255) if the number of its Medi-Cal clients were to decrease. Of SFGH's total revenues of \$266.5 million in the proposed 1996-97 budget, approximately \$154.8 million are from Medi-Cal and disproportionate share sources.

Recommendation: Approve the proposed ordinance.

Items 10 and 11 - Files 199-96-2 and 199-96-2.1

Departments: Asian Art Museum
Public Library

Items: File 199-96-2: Resolution adopting findings pursuant to the California Environmental Quality Act relating to the transfer of jurisdiction of the Old Main Library building from the Library Commission to the Asian Art Commission, as analyzed in the San Francisco Main Library Final Environmental Impact Report (EIR), Case No. 90808E and reevaluated in the Asian Art Museum Project EIR Addendum to that Environmental Impact Report, dated May 1, 1996.

File 199-96-2.1: Resolution transferring jurisdiction from the Library Commission to the Asian Art Commission of Lot 1 in Assessor's Block 353, known as Old Main Library and Library Annex, for Museum use; and adopting findings pursuant to City Planning Code Section 101.1.

Description: In November, 1994 the voters of San Francisco approved a \$51 million General Obligation Bond Issue for seismic strengthening and construction of a new Asian Art Museum at the former Main Library building. The Asian Art Museum is currently located adjacent to the M.H. De Young Museum in Golden Gate Park.

One of the proposed resolutions (File 199-96-2.1) would transfer jurisdiction of the old Main Library building from the Library Commission to the Asian Art Commission. In connection with this transfer, the other proposed resolution (File 199-96-2) would adopt findings pursuant to the California Environmental Quality Act (CEQA) related to such transfer. The CEQA resolution would (1) determine that the Main Library EIR and the Asian Art Museum Project EIR addendum adequately analyze the Asian Art Museum Project; (2) make specific findings that alternatives to the Asian Art Museum Project discussed in the EIR are infeasible; (3) make specific findings related to adoption or rejection of mitigation measures described in the EIR and Addendum; (4) find that, even with inclusion of mitigation measures, the Project would contribute to significant cumulative seismic and air quality impacts that cannot be avoided; (5) find that it is likely that the conversion of the building for use as the Asian Art Museum would require some degree of alteration to the building that would be inconsistent with the Secretary of the Interior's Standards for Rehabilitation; (6) find that the Project would generate various benefits, and conclude that, after balancing the

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unmitigated adverse effects of the Project and the benefits of the Project, the benefits of the Project override the unmitigated adverse effects of the Project on the environment and (7) adopt a mitigation monitoring program.

Comments:

1. The San Francisco Main Library EIR, completed by the firm of Environmental Science Associates (ESA) as part of the New Main Library Project, was certified by the Planning Commission on February 27, 1992. This EIR included analysis of the conversion of the old Main Library to house the Asian Art Museum. The Asian Art Museum Project Addendum to the San Francisco Main Library EIR, issued on May 1, 1996, was also prepared by ESA in order to analyze certain changed circumstances, including (1) designation of the Civic Center as a local Historic District under Article 10 of the City Planning Code; and (2) certification by the State of an EIR for a State office building in the Civic Center area. The San Francisco Main Library EIR and the Asian Art Museum Project Addendum to that EIR are in the Board of Supervisors file.

2. The resolution adopting findings pursuant to the California Environmental Quality Act (File 199-96-2) includes a section identified as Exhibit A to the resolution, which lists mitigation measures related to cultural resources, transportation, air quality, geology/topography/hydrology, and hazards, adopted as conditions of approval, and describes the mitigation monitoring program. Exhibit A is on file with the Board of Supervisors.

3. Several mitigation measures proposed in the EIR and Addendum would be rejected under the proposed resolution (File 199-96-2). Ms. Tamara Galanter, an attorney with the firm of Shute, Mihaly & Weinberger who has been retained by the Asian Art Museum, states that such proposed mitigation measures would be rejected as proposed in the EIR because they are infeasible to impose at this time, because they are outside the jurisdiction of the Board of Supervisors, or because they have been expanded to include additional requirements in the proposed resolution. A listing of the rejected mitigation measures, provided by Ms. Galanter, is attached to this report.

Recommendation: Approval of the proposed resolutions is a policy decision for the Board of Supervisors.

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ASIAN ART MUSEUM PROJECT
MITIGATION MEASURES PROPOSED IN EIR/ADDENDUM
THAT WOULD BE REJECTED AT THIS TIME

1. The mitigation measure directing the project sponsor to require the project contractor(s) to construct noise barriers around the site and to locate stationary equipment in pit areas or excavated areas would be rejected as proposed in the EIR because the mitigation measure as proposed is unnecessary and infeasible. The mitigation measure was designed for construction of the New Main Library. Noise barriers around the entire site of the New Asian Art Museum are unnecessary to mitigate the Asian Art Museum Project's ("Project") noise impacts because, except for construction of the 45 Hyde Street addition, Project construction would occur primarily indoors and thus not result in substantial noise impacts. Such mitigation would not be cost-effective and would therefore be economically infeasible. To address noise impacts associated with outdoor construction, the mitigation measure proposed in the EIR would be modified to direct the project sponsor to require the project contractor(s), should the 45 Hyde Street addition be constructed, to construct noise barriers around the construction of an addition to the former Main Library building at the 45 Hyde Street site, and to locate stationary equipment at that site in pit or excavated areas.

2. The mitigation measure requiring that before demolition or renovation occurred, the project sponsor would ensure that PCB-containing equipment is removed following all regulations for worker safety and disposed of as a regulated waste would be rejected as proposed in the EIR and expanded to include, in addition to the above, remediation of a wider variety of potentially hazardous building materials as required by local, state and federal law.

3. The following mitigation measures related to transportation impacts associated with the Project and identified in the EIR as "Measures That Could Be Implemented By Other Agencies" are outside the jurisdiction of the Board of Supervisors and would be rejected as infeasible on that basis:

(a) The New Main Library and the proposed Asian Art Museum addition could be designed to include a direct underground connection to the Civic Center BART/MUNI Metro Station, making transit use more attractive to patrons and employees. This would require public funding and implementation by various local and other agencies;

(b) Work schedules of Pacific Gas and Electric Company and other utilities requiring trenching could be coordinated, so that street disruption

would take place during weekends and off-peak hours. This should be done through the San Francisco Committee for Utility Liaison on Construction and Other Projects (CULCOP). In-street utilities should be installed at the same time as the street is opened for construction of the project to minimize street disruption;

(c) The City could act upon or endorse the implementation of transportation mitigations described in the Mission Bay EIR Vol. II, Section VI.E, Mitigation, pp. VI.E.214-VI.E.217 for the year 2000 and VI.E.224-VI.E.231 for 2020, and in the South of Market EIR, pp. 189-194. The measures for the year 2000 include: construction and maintaining rail rapid transit lines from downtown San Francisco to suburban corridors and major non-downtown centers in San Francisco; increased funding for Vehicle Acquisition Plans for San Francisco and regional transit agencies to expand existing non-rail transit service; providing exclusive transit lines on city streets and on freeways; reducing incentives to drive by discouraging long-term parking; encouraging carpools, vanpools, and bicycle use; improving pedestrian circulation within downtown San Francisco; and providing transportation brokerage services.

4. The mitigation measure requiring that similar measures to those required for the New Main Library be employed by the Asian Art Museum's contractor to protect pedestrians during remodeling of the former library building and construction of the addition to that building would be rejected as proposed in the EIR and be expanded to include additional specific steps to ensure protection of pedestrians.

5. The mitigation measure identified in the EIR restricting construction truck movement to between 9:00 a.m. and 3:30 p.m. would be rejected as proposed in the EIR and revised to allow such traffic at other times if authorized by the Department of Parking and Traffic after determining that such truck movement will not cause significant traffic conflicts. The revised mitigation would be an equally effective mitigation measure and would enable the Department of Parking and Traffic to respond to site specific conditions and circumstances.

6. Because the Asian Art Museum has not yet retained an architect or considered or developed design plans for alterations to the former Main Library building, it would be infeasible at this time to determine the appropriateness and viability of the following mitigation measures: (a) Adopting a

remodeling program for the former Main Library building that would not remove inscriptions or statues, or lengthen windows on Fulton Street; (b) Retaining the Piazzoni murals on the second floor of the former Main Library building; (c) If the Piazzoni murals were removed, having the Asian Art Commission in cooperation with the Art Commission locate a suitable site in San Francisco for their relocation; (d) Covering inscriptions instead of removing them; and (e) Conditioning the transfer of jurisdiction over the former Main Library building on the adoption of a remodeling program that complies with the Secretary of the Interior's Standards for Rehabilitation. Such mitigation measures therefore would be rejected at this time as infeasible.

7. The mitigation measure requiring that if dewatering were necessary and if found necessary by the Industrial Waste Division of the Department of Public Works, groundwater pumped from the site would be retained in a holding tank to allow suspended particles to settle would be rejected as proposed in the EIR and expanded to require, in addition to the above, compliance with the City's Industrial Waste Ordinance, which was enacted subsequent to preparation of the EIR.

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Item 12 - File 23-96-2

Department: Controller's Office

Item: Resolution waiving the statute of limitations with respect to payment of certain warrants of the City and County of San Francisco, in the amount of \$14,207.13, a legal obligation of the City and County of San Francisco.

Description: According to Section 10.182 of the Administrative Code, a warrant issued by the City becomes void one year from the date issued. The payee of the warrant may present the warrant to the Controller for payment, up to three years from the original date. After that point, the statute of limitations has expired, and the Controller must obtain approval from the Board of Supervisors to issue payments for warrants which are over \$1,000 dollars.

The proposed resolution would waive the statute of limitations and would authorize the Controller's Office to replace nine warrants issued by the Employees Retirement System to Mr. George S. Smandra, a City retiree, in the following amounts:

<u>Payee</u>	<u>Warrant No.</u>	<u>Date Issued</u>	<u>Amount</u>
1. Smandra, George S.	500-1963377	07/31/84	\$1,418.87
2. Smandra, George S.	500-2205119	12/31/85	1,559.32
3. Smandra, George S.	500-2218990	01/31/86	1,559.32
4. Smandra, George S.	500-2246776	03/31/86	1,559.32
5. Smandra, George S.	500-2330577	08/31/86	1,545.40
6. Smandra, George S.	500-2350242	09/30/86	1,545.40
7. Smandra, George S.	500-2364188	10/31/86	1,610.92
8. Smandra, George S.	500-2392159	12/31/86	1,602.56
9. Smandra, George S.	500-2939664	01/31/90	<u>1,806.02</u>
TOTAL			\$14,207.13

Comments: 1. According to Ms. Gray Kennedy of the Employees Retirement System, Mr. Smandra reported that the above-listed warrants were apparently lost in the mail. Ms. Susan Andrus of the Controller's Office confirms that the warrants were never cashed, and have been canceled by the Controller's Office.

2. Ms. Andrus advises that there are sufficient funds in the FY 1995-96 Employees Retiree System Trust Fund to replace Mr. Smandra's warrants.

Recommendation: Approve the proposed resolution.

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Item 13 - File 25-96-1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of February 27, 1996.

Department: Port of San Francisco

Item: Resolution concurring with the controller's certification that Janitorial Services for the Port can continue to be practically performed by a private contractor at lower cost than by City and County employees.

Services to be Performed: Janitorial Services for the Port

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting Janitorial Services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$475,507	\$485,260
Fringe Benefits	143,774	145,363
Total	\$619,281	\$630,623
<u>Contractual Services Cost</u>	<u>475,032</u>	<u>475,032</u>
<u>Estimated Savings</u>	<u>\$144,249</u>	<u>\$155,591</u>

Comments:

1. Janitorial Services for the Port were first certified as required by Charter Section 8.300-1 in 1979 and have been continuously provided by an outside contractor since 1979.
2. The Port previously requested that this item be continued to the call of the Chair to allow the Purchaser additional time to research concerns raised about the potential contractor, GMG Janitorial. Mr. Mike Ward of the Purchaser's Office

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advises that the Purchaser has completed its investigation, and recommends the selection of this contractor.

3. According to Mr. Chris Stewart of the Purchaser's Office, the current two year contract expired on February 29, 1996, and has been continued on a month-to-month basis since then with the following three contractors: (1) Township Building Service; (2) Custodial, Janitorial Service and Building Maintenance; and (3) Ward's Building Maintenance. Custodial, Janitorial Service and Building Maintenance; and Ward's Building Maintenance are MBE firms. Mr. Stewart advises that the three contractors will continue to perform the janitorial services on a month-to-month basis through June 30, 1996.

4. Mr. Stewart advises that the term of the proposed contract is for a period of two years commencing July 1, 1996, with a one-year renewal option. The Purchaser's Office selected the firm of GMG Janitorial, as the lowest of six bidders, to provide the proposed janitorial services for an amount of \$475,032. Mr. Stewart advises that GMG Janitorial is a WBE firm. Mr. Stewart advises that GMG Janitorial does not provide health benefits.

Recommendation: The Port has requested that this item be continued to the Government Efficiency and Labor Committee meeting of June 25, 1996.

Item 14 - File 25-96-10

Department: Airports Commission

Item: Resolution approving the Controller's certification that shuttle bus services for San Francisco International Airport can continue to be performed by private contractor at a lower cost for the fiscal year commencing July 1, 1996 than if work were performed by City and County employees.

Services to be Performed: Shuttle Bus Services

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for shuttle bus services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$2,050,544	\$2,138,725
Fringe Benefits	740,439	757,837
Operating Expenses	<u>586,574</u>	<u>586,574</u>
Total	\$3,377,557	\$3,483,136
<u>Contractual Services Cost</u>	<u>2,985,336</u>	<u>2,985,336</u>
<u>Estimated Savings</u>	\$392,221	\$497,800

- Comments:**
1. Shuttle bus services for the San Francisco International Airport were first certified as required by Charter Section 8.300-1 in Fiscal Year 1984-85. These services have been provided by an outside contractor since 1975.
 2. According to Ms. Janice Gendreau of the Airport, the Airport is currently contracting with the SFO Shuttle Bus Company under the third of five one-year contract extension options. This option expires on December 31, 1997. Ms. Gendreau reports that the SFO Shuttle Bus Company provides health care coverage for its employees. Although

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

SFO Shuttle Bus Company is not a certified MBE or WBE firm, the contractor continues to adhere to the City's non-discrimination ordinance of Chapter 12B and 12C of the San Francisco Administrative Code reports Ms. Gendreau.

3. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor, is attached.

Recommendation: Approve the proposed resolution.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department: SFIA Operations

For Time Period: FY 1996-1997

Contract Services: Airport Shuttle Bus Services

1. Who performed services prior to contracting out?

With construction of the Remote Parking Facility in 1975, shuttle bus service was initiated by contract. Prior to 1975, the area was utilized as a small lot for SFIA employee parking. An employee van service was provided by Airport Parking Management (APM).

2. Number of City employees laid off as a result of contracting out?

None (See #1)

3. Explain Disposition of employees if they were not laid off.

N/A (See #1)

4. What percent of a City employee's time is spent on services to be contracted out?

N/A

5. How long have the services been contracted out?


Since 1975

6. What was the first fiscal year for a Proposition J certification?

1974-1975

7. How will contract services meet the goals of your MBE/WBE Action Plan?

Although this contract was not awarded to a MBE/WBE firm in 1983, it must adhere to the City's non-discrimination ordinance of Chapter 12B and 12C of the San Francisco Administrative Code.


Duke Briscoe

Deputy Director, Operations

Telephone: (415) 876-2112

Item 15 - File 89-96-3

Department: Human Resources Department

Item: Resolution authorizing enrollment of Classification 1675 Supervising Fiscal Officer into the State Disability Insurance Program.

Description: The proposed resolution would authorize enrollment of Classification 1675 Supervising Fiscal Officer into the State Disability Insurance Program (SDI). The cost of SDI coverage would be paid by the employee through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is .8 percent of the first \$31,767 of gross salary for each employee, with a maximum of \$254.14 annually. While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification request coverage.

The following classification, which is not represented by a bargaining unit, would be authorized to enroll in the SDI program under the proposed resolution:

<u>Classification</u>	<u>Position</u>	<u>Number of Employees</u>
1675	Supervising Fiscal Officer	7

The Employee Relations Division of the Human Resources Department reports that it has received a petition requesting SDI coverage signed by 4 of the 7 employees, representing a majority, in the 1675 Supervising Fiscal Officer classification. The 4 employees requesting SDI coverage work for the following departments: Public Works, the Port, the Public Utilities Commission, and the Airport.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Items 16 and 17 - Files 101-94-107.2 and 144-95-1.2

Department: Port

Items: Item 14, File 101-94-107.2 - Release of reserved funds for the Port in the amount of \$250,000 for the repair and upgrade of cranes at the Pier 70 shipyard.

Item 15, File 144-95-1.2 - Release of reserved funds for the Port in the amount of \$1,750,000 for the repair and upgrade of cranes at the Pier 70 shipyard.

Amount: \$1,500,000 - U. S. Department of Commerce, Economic
Development Administration (EDA)
250,000 - California Trade and Commerce Agency
250,000 - 1971 Harbor Bond funds
\$2,000,000 Total

Source of Funds: EDA funds, California Trade and Commerce Agency funds and 1971 Harbor Bond funds

Description: File 144-95-1.2

The Board of Supervisors previously approved legislation authorizing the Port to apply for, accept and expend \$1,500,000 from the EDA and \$250,000 in matching funds from the California Trade and Commerce Agency to be used to pay for the repair and upgrade of five cranes at the Pier 70 shipyard (File 144-95-1). At the same time, the Board placed the entire \$1,750,000 on reserve pending the selection of contractors, the MBE/WBE status of the contractors and the contract cost details.

File 101-94-107.2

In June of 1995, the Board of Supervisors approved a supplemental appropriation request totaling \$2,993,539, of which \$250,000 in 1971 Harbor Bond funds was earmarked as additional matching funds for the \$1,500,000 in EDA funds for the repair and upgrade of the cranes at the Pier 70 shipyard (File 101-94-107). The entire \$2,993,539 was placed on reserve pending the selection of contractors, the MBE/WBE status of the contractors and the contract cost details.

The Port is now requesting that \$2,000,000 be released from reserve.

BOARD OF SUPERVISORS
BUDGET ANALYST

The Port advises that through its Invitation for Bids process, it has selected Rigging International Inc. as the lowest responsible bidder based on a total bid amount of \$4,222,888 including a base bid amount of \$1,621,260. Attachment I, provided by the Port, is a summary outlining the details of the two bids received, by bid item, submitted by Rigging International Inc. and Sheedy Drayage Company and the MBE/WBE status of these firms. Attachment II, provided by the Port, lists the subcontractors, the MBE/WBE status of the subcontractors and the subcontract amounts.

Ms. Veronica Sanchez of the Port advises that following the selection of Rigging International, the Port determined that it had only \$2,000,000 available for the repair and upgrade of the five cranes at the Pier 70 shipyard. As such, according to Ms. Sanchez, the Port made the decision to down-size the project and to pay for only those items covered under the base bid amount of \$1,621,260 (see Attachment I for listing of all bid items). Base bid items include (1) repairing and repainting one shipyard crane, (2) partly salvaging one crane, (3) improving the operator's cabs on five cranes, and (4) lead and asbestos abatement work.

Comments:

1. In addition to payment of the contract in the amount of \$1,621,260, the requested \$2,000,000 would be used to pay for (1) \$162,126 in contingencies, (2) \$168,943.83 for in-house work performed by the Port and (3) \$47,670.17 for equipment. Attachment III, provided by the Port outlines the cost details for the overall project totaling \$2,000,000, including the cost details for the work to be performed in-house.

Recommendation: Approve the proposed release of reserved funds in the amount of \$2,000,000.

Prepared By: Marie Mitchell
Checked by: RL
Date: 05/23/96
Page of 1 of 3

BID SUMMARY
PORT OF SAN FRANCISCO

Project: Pier 68 Shipyard Cranes Improvements
Contract No.: 2610

Bids Opened: 05/17/96

Project Engineer: Skip Zeller

Bid Item #	Description	Estimated Quantity	Rigging International, Inc.		Sleedly Drayage Co.		Unit /LS	Total	Unit /LS	Total	Unit /LS	Total	Unit /LS	Total
			965 Atlantic Ave. Alameda, 94501 510-965-2400	Unit /LS	Price	Total	Unit /LS	Price	Total	Unit /LS	Price	Total	Unit /LS	Price
1A	Sequence Step A.1 and A.2 - Disassemble Crane #30 to the Turntable Level	LS			\$275,000.00	\$275,000.00			\$34,422.00	\$34,422.00				
1B	Sequence Step A.3 - Remove Asbestos from Crane #30	LS			\$20,000.00	\$20,000.00			\$8,410.00	\$8,410.00				
2A	Step B.1 - Remove Asbestos from Crane #32	LS			\$20,000.00	\$20,000.00			\$8,410.00	\$8,410.00				
2B	Steps B.10 and B.35 - Nondestructive Testing of 100 Areas of Crane #32	LS			20,372.00	20,372.00			\$5,220.00	\$5,220.00				
2C	Steps B.2, B.9, B.11 - B.34, and B.37 - B.45 repairs, Tests, and Certification of Crane #32	LS			\$1,257,303.00	\$1,257,303.00			\$1,495,294.00	\$1,495,294.00				
3A	Deductive Alternate Bid Item Step C.1 - Remove Asbestos from Crane #33	LS			\$20,000.00	\$20,000.00			\$10,750.00	\$10,750.00				
3B	Deductive Alternate Bid Item Steps C.4 and C.23 - Nondestructive Testing of 100 areas of Crane #33	LS			\$18,734.00	\$18,734.00			\$4,500.00	\$4,500.00				
3C	Deductive Alternate Bid Item Steps C.24, C.30 Repairs, Tests, and Certification of Crane #33	LS			\$707,641.00	\$707,641.00			\$1,054,216.00	\$1,054,216.00				
4A	Deductive Alternate Bid Item Step D.1 - Remove Asbestos from Crane #34	LS			\$20,000.00	\$20,000.00			\$10,750.00	\$10,750.00				
4B	Deductive Alternate Bid Item Steps D.4 and D.22 - Nondestructive Testing of 100 Areas of Crane #34	LS			\$18,734.00	\$18,734.00			\$4,500.00	\$4,500.00				
4C	Deductive Alternate Bid Item Steps D.2, D.3, D.5 - D.21 and D.23 - Q.30 Repairs, Tests, and Certification of Crane #34	LS			\$690,066.00	\$690,066.00			\$1,020,430.00	\$1,020,430.00				

Prepared By: Marie Mitchell
Checked by: RL
Date: 05/23/98
Page of 2 of 3

BID SUMMARY
PORT OF SAN FRANCISCO

Project: Pier 68 Shipyard Cranes Improvements
Contract No.: 2610
Project Engineer: Ship Zeller

Bids Opened: 05/17/96

Bld Item #		Description	Estimated Quantity	Unit/LS	Price	Total	Unit/LS	Price	Total	Unit/LS	Price	Total
5		Replace Operator Cab Seats - Cranes #27 and #31 - #34	LS		\$20,585.00	\$20,585.00		\$22,214.00	\$22,214.00			
6A		Deductive Alternate Bid Item Step E.1 - Remove Asbestos From Crane #27	LS		\$20,000.00	\$20,000.00		\$10,750.00	\$10,750.00			
6B		Deductive Alternate Bid Item Steps E.4 and E.22 - Nondestructive Testing of 100 Areas on Crane #27	LS		\$10,734.00	\$10,734.00		\$4,500.00	\$4,500.00			
6C		Deductive Alternate Bid Item Steps E.2, E.3, E.5 - E.21, and E.23 - E.30 Repairs, Tests, and Certification of Crane #27	LS		\$452,337.00	\$452,337.00		\$713,028.00	\$713,028.00			
7		Deductive Alternate Bid Item Steps F.1 - F.5 Salvage, Demolition and Removal of Crane #30	LS		\$36,469.00	\$36,469.00		\$40,203.00	\$40,203.00			
8A		Deductive Alternate Bid Item Step G.1 Remove Asbestos From Crane #31	LS		\$20,000.00	\$20,000.00		\$10,750.00	\$10,750.00			
8B		Deductive Alternate Bid Item Steps G.4 and G.22 - Nondestructive Testing of 100 Areas of Crane #31	LS		\$18,734.00	\$18,734.00		\$4,500.00	\$4,500.00			
8C		Deductive Alternate Bid Item Steps G.2, G.3, G.5 - G.21, and G.23 - G.30 Repairs, Tests and Certification of Crane #31	LS		\$448,179.00	\$448,179.00		\$391,801.00	\$391,801.00			
9		Unit Price Item: Repair of Welded Joints Per Joint	100		\$800.00	\$80,000.00		\$150.00	\$15,000.00			
10		Unit Price Item: Lead Paint Removal Per Square Foot	500		\$60.00	\$30,000.00		\$73.50	\$36,750.00			
11		Unit Price Item: Asbestos Materials Removal Per 55 Gallon Drum	10		\$200.00	\$2,000.00		\$950.00	\$9,500.00			
TOTAL						\$4,222,888.00			\$4,916,898.00			

TOTAL BASE BID ONLY:
Bid Items 1A, 1B, 2A, 2B, 2C, 5

\$1,673,970.00

\$1,621,260.00

Project: Pior 68 Shipyard Cranes Improvements
Contract No.: 2610

Rigging International, Inc.
965 Allantia Avenue
Alameda, CA 94501
Phone #

Sheddy Drayage Co.
1215 Michigan Street
S.F., CA 94107
Phone #

Required Forms	Document #	Yes (Y)	No (N)	Yes (Y)	No (N)
Proposal	00300	Y		Y	
Appendix Acknowledgment		Y		Y	
Schedule of Bid Prices	00302	Y		Y	
Schedule of Unit Prices	00304	Y		Y	
Bid Bond	00411	Y		Y	
Experience & Financial Qualifications	00420	Y		Y	
List of Subcontractors	00430	Y		Y	
Non-Collusion Certification	00481	Y		Y	
HRC Form 1		N/A		N/A	
HRC Schedule A (as applic. by 5pm)		N/A		N/A	
HRC Schedule L (as applic. by 5pm)		Y		Y	
HRC Form 2A		Y		Y	
HRC Form 2B		Y		Y	
Apprenticeship Program	00490	Y		Y	
Business Tax Reg Declaration	00491	Y		Y	
Highest General Prevailing Wage	00492	Y		Y	
Equal Opp Empl & Bus Practices: LD	00493	Y		Y	
MacBride Principles	00494	Y		Y	
Deemed Responsive by Engin & HRC (Y/N) ?		Y		N	
Total Bid		\$4,222,000.00		M/WBE goals not met	
Total Bid		\$4,222,000.00		\$4,915,897.00	
PREFERENCES (as applicable):					
MBE	10%	0		0	
WBE	10%	0		0	
LBE	5%	0		0	
JV	5%	0		0	
JV	7.5%	0		0	
JV	10%	0		0	
Adjusted Bid		\$4,222,888.00		\$4,915,897.00	

n11 Project68CraneViduaBidsumm wk4

SUMMARY OF MBE/WBE PARTICIPATIONPier 70 Cranes

Prime Contractor: Rigging International
 Contract Amount: \$1,621,260 plus 10% contingency =
 \$1,783,386

Subcontractors:

	<u>Service</u>	<u>% Work MBE</u> <u>FIRMS</u>	<u>% Work WBE</u> <u>FIRMS</u>
United Painting and Construction	Painting	8.48%	
E & J Environmental	Lead & Asbestos Removal	4.19%	
Cresci Electric	Electrical		2.37%
Signet Testing Labs	Non-destructive testing		<u>42%</u>
Total		<u>12.67% or</u> \$205,414	<u>2.79% or</u> \$45,233

PIER 68 SHIPYARD CRANES IMPROVEMENTS

CONTRACT NO. 2610

PROJECT BUDGET

Attachment III

FUNDING
OST
EDA
PORT

COSTS

I. Labor	Class	Title	Rate	Hours	Total
	5256	Mechanical Engineer	\$33.89	1650	\$55,918.50
	5240	Electrical Engineer	\$33.89	500	\$16,945.00
	9358	Crane Mechanic Sup.	\$32.45	1000	\$32,450.00
	7345	Electricians, Cranes	\$30.69	1150	\$35,293.50
		Subtotal			\$140,607.00
		Fringe @ 20.15%			\$28,336.83

\$168,943.83

\$168,943.83

Total

II. Equipment	Manufacturer	Description	Cost
Insul-8		Electrical equipment, including conductors, expansions, powerfeed sections, splice assemblies, and splice covers	\$47,652.62

Acetylene & oxygen \$17.55

\$47,670.17

\$47,670.17

Total

III. Construction Contract

Contractor: Rigging International, Inc. \$1,621,250.00
10% contingency \$162,126.00

\$1,500,000.00 \$33,386.00 \$250,000.00

\$1,500,000.00 \$250,000.00 \$250,000.00

GRAND TOTAL \$2,000,000.00

prepared by: R. Lim
rt:\project\pier68\cranes\clus\projbudg.wk4

Item 18 - File 133-92-2.11

Department: Chief Administrative Officer (CAO)
Solid Waste Management Program

Item: Release of reserved funds in the amount of \$18,760 for contractual services to design and print five brochures for the Recycling Market Development Zone project.

Amount: \$18,760

Source of Funds: Refuse Collection and Disposal Fees Impound Account

Description: In August of 1992, the Board of Supervisors approved legislation authorizing the CAO to accept and expend funds in the amount \$2,896,061 from the Refuse Collection and Disposal Fees Impound Account for various Solid Waste Management projects (File 133-92-2). Of the \$2,896,061, the Board placed a total of \$519,000 on reserve, including \$50,000 for market development, pending the selection of contractors.

The CAO advises that the CAO has selected Monroy & Cover Design, an MBE firm, at a cost of \$23,760, to design and oversee the printing of five promotional brochures for the Recycling Market Development Zone project. According to the CAO, Monroy & Cover Design has an existing on-going contract with the CAO, which would be modified to include these services.

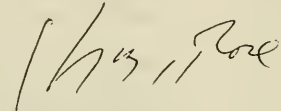
The Recycling Market Development Zone project, involves recruitment and expansion of recycling-based manufacturers City-wide for the purpose of expanding markets for recyclable materials recovered from the City's solid waste materials. The promotional brochures will be used to (1) attract new business investment in San Francisco and (2) promote the use of recycled solid waste materials within existing manufacturing facilities. The Attachment, provided by the CAO, contains the cost details for the Monroy & Cover Design contract, including the estimated hours and the hourly rates.

Comment: As noted above, the cost of the contract is \$23,760 or \$5,000 more than the requested release of reserved funds in the amount of \$18,760. The CAO advises that the \$5,000 balance will be paid for by previously allocated funds from the Refuse Collection and Disposal Fees Impound Account.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approve the proposed release of the reserved funds in the amount of \$23,760.



Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Teng
Supervisor Yaki
President Shelley
Supervisor Kaufman
Supervisor Alioto
Supervisor Bierman
Supervisor Brown
Supervisor Hsieh
Supervisor Katz
Supervisor Leal
Clerk of the Board
Chief Administrative Officer
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

Attachment
Page 1 of 3

MONROY & COVER DESIGN

ESTIMATE

TEL/FAX 415-936-3171

31 HOBBS ALLEY

SAN FRANCISCO

CALIFORNIA

04133

Date May 13, 1996

Client San Francisco Recycling Program
1145 Market Street, Suite 401, San Francisco, CA 94103

Contact David Aszman, Eric Sandlin, and Karen

Name of Piece "Opportunities by the Bay" (The Main Promotional Piece)

ASSIGNMENT DESCRIPTION

Five brochures to promote the San Francisco Recycling Market Development Zone. The concept is to have one general brochure and four collateral pieces to support the main brochure. The main brochure will provide an overview of the RMDZ program with brief descriptions of other services. The collateral pieces will describe those other services (Finance and Tax Incentives plus three more) in greater detail. The biggest selling point would be San Francisco itself. The central point being the front cover with a photo of San Francisco. Added features would be a map of RMDZ boundaries plus any other appropriate graphics. The size of the pieces will be 17" x 11" folded down the middle. The following estimate is for two, three, and four color job.

CREATIVE SERVICE

Research for background on RMDZ program, similar type of projects and photography	\$50.00 an Hr. x 5 Hrs =	250.00
Concept and Photography - Developing 2-3 visual ideas that represent the feeling and mood to solve the problem. This will also include the grid system, typography and graphics	\$50.00 an Hr. x 13 Hrs =	650.00
Design - Preparing 2-3 paper mock-ups from concept or ideas	\$50.00 an Hr. x 5 Hrs =	250.00
Color Theory - Developing color scheme of main piece and following pieces.	\$50.00 an Hr. x 4.5 Hrs =	225.00

PRODUCTION:

Typography - 1 hour for each panel (40.00 an hour)	\$40.00 an Hr. x 4 Hrs =	160.00
Preparing Files for Service Bureau - (40.00 an hour)	\$40.00 an Hr. x 5 Hrs =	200.00
Client Revisions - This will come after presentation of eight comps (40.00 an hour)	\$40.00 an Hr. x 4 Hrs =	140.00
Presentations and Client Meeting - This will be billed at 40.00 an hour. At this point we will meet about 3 to 4 times. Check time line. (No initial charge for first meeting)	\$40.00 an Hr. x 4 Hrs =	160.00
Print Coordination (Includes press check and driving time)	\$50.00 an Hr. x 10 Hrs =	500.00

(Not including taxes) TOTAL

\$ 2535.00

Note: This does not include outside cost. Check other sheet for cost. If anything change (i.e. copy, concept, adding more colors...) we will have to re-estimate project. Also keep in mind this estimate could vary since we have not seen the other copy for the other two brochures. If we see that this estimate will go over during production we will notify you.

Attachment
Page 2 of 3

MONROY & COVER DESIGN

ESTIMATE

TEL/FAX 415-806-3171

31 HODGES ALLEY

SAN FRANCISCO

CALIFORNIA

84133

Date May 13, 1996

Client San Francisco Recycling Program
1145 Market Street, Suite 401, San Francisco, CA 94103

Contact David Assman, Eric Sandlin

Name of Piece Four collateral pieces to supplement the main brochure

ASSIGNMENT DESCRIPTION

Five brochures to promote the San Francisco Recycling Market Development Zone. The concept is to have one general brochure and four collateral pieces to support the main brochure. The main brochure will provide an overview of the RMDZ program with brief descriptions of other services. The collateral pieces will describe those services (Finance and Tax Incentives) in greater detail. The biggest selling point would be San Francisco itself. The central point being the front cover with a photo of San Francisco. Added features would be a map of RMDZ boundaries plus any other appropriate graphics. The size of the pieces will be 17" x 11" folded down the middle. They will be printed at this point in two colors.

CREATIVE SERVICE

Design - Preparing 2-3 paper dummies from concept or ideas
Color Theory or Scheme,

\$50.00 an Hr. x 10 Hrs = 400.00
\$50.00 an Hr. x 4 Hrs = 200.00

PRODUCTION:

Typography - 1 hour for each panel (40.00 an hour)
Preparing Files for Service Bureau - (40.00 an hour)
Client Revisions - This will come after presentation of right comps (40.00 an hour)
Presentations and Client Meeting - This will be billed at 40.00 an hour. At this point we will meet about 3 to 4 times. Check time line. (No initial charge for first meeting)

\$40.00 an Hr. x 4 Hrs = 160.00
\$40.00 an Hr. x 5 Hrs = 200.00
\$40.00 an Hr. x 3.5 Hrs = 140.00
\$40.00 an Hr. x 4 Hrs = 160.00

1260.00
(Four Brochures) x 4

(Not including taxes) TOTAL

\$ 5040.00

Note: This does not include outside cost. Check other sheet for cost. If anything change (i.e. copy, concept, adding more colors...) we will have to re-estimate project. Also keep in mind this estimate could vary since we have not seen the other copy for the other two brochures. If we see that this estimate will go over during production we will notify you.



MONROY & COVER DESIGN

ESTIMATE

TEL/FAX 415-936-3171

31 HODGES ALLEY

SAN FRANCISCO

CALIFORNIA

94133

Date: June 7, 1996

Client: Solid Waste Management Program
1145 Market, Suite 401, San Francisco, CA 94103

Contact: Ery Sandlin, David Assman and Karen

Assignment Number:

Assignment Description: OUTSIDE COSTS FOR PRODUCING THE 5 RMDZ BROCHURES AND PRINTING.

Terms: Net 30

Project Due Date:

Pre - Press, Outside Costs and Printing

Photos	5 Stock Photos (S.F. Theme) @ 650.00	3250.00
Photo Scans	5 Grayscale @ 65.00 and 100.00 in color	500.00
Color Canon Fierys (For 1st round of color mockups)	14 (11"x17") @ 19.50	273.00
Rainbow Prints (3rd round of mockups)	10 (11" x 17") @ 35.00	350.00
Trapping	7 Hours @ 150.00 an hour	1050.00
Printing	All 4/4, 11x 17, total 17,000 pieces	11,880.00

(Not including taxes) Total 16,185.00

Note: Keep in mind this estimate could vary. If we see that this estimate will go over during production or printing we will notify you.

Client's Signature	Date	Total
Designer's Signature	Date	Total

June 11, 1996 Government Efficiency and Labor Committee Meeting

Attn: Kate Wingerson

Item 6 - File 106-96-2

REVISED June 11, 1996

Note: An Amendment of the Whole to the proposed ordinance will be introduced at the Government Efficiency and Labor Committee meeting on June 11. This report reflects the Amendment of the Whole.

Department: Superior Court

Item: Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Superior Court for the City and County of San Francisco.

Description: The proposed ordinance would fix compensation and other economic benefits for 28 classifications of employees of the Superior Court for FY 1996-97. The proposed ordinance, which relates to employees who are not represented by an employee organization, would be adopted pursuant to California Government Code Section 69900, and would establish economic conditions of employment and the methods of employee compensation.

The proposed ordinance would provide differing compensation changes and other provisions to the covered employees, depending upon their classification. The 28 classifications covering 115 positions are divided into four groups for purposes of making these distinctions under the proposed ordinance. The groups generally pertain to the following types of employees: (1) attorneys, (2) management information systems specialists, (3) court investigators, reporters and probate examiners, and (4) management and supervisors.

Consistent with City MOUs, employees in all 28 classifications would be eligible to request a "supervisory differential adjustment" if (1) they regularly supervise the technical content of one or more subordinate's work, and (2) their salary range is less than five percent over that of the employee being supervised. Application of the supervisory differential adjustment would be made at the discretion of the Chief Executive Officer of the Superior Court. The amount of such adjustment could not exceed five percent of the salary of the highest paid employee supervised, or ten percent of the supervisor's current basic compensation.

The proposed salary schedule for the covered employees is contained in the proposed ordinance as Appendix 1. The major fiscal provisions of the proposed ordinance are summarized for each group of classifications as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

Attorneys

The Superior Court positions covered by the provisions related to this group of classifications are:

<u>Classification</u>	<u>Current No. of Positions</u>
0174 Staff Attorney	5
0175 Senior Criminal Research Attorney	1
0676 Research Assistant	<u>10</u>
Total Positions	16

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the employee classifications listed above would be increased by 2.5 percent effective July 1, 1996.

Administrative Leave

Each full-time employee in the above-noted classifications would continue to receive five days of administrative leave per year in addition to vacation time. These employees would not be eligible to receive overtime or compensatory time off.

Bar Dues

Each full-time Attorney, who has worked for the Superior Court for more than one year as of January 15, 1997, would continue to be reimbursed for the full amount of the annual California State Bar dues, which are currently \$480 per year.

Tuition and Educational Fund

The City would continue to provide an Educational Fund of \$3,000 for FY 1996-97. Employees in the above-noted classifications of 0174 Staff Attorney and 0175 Senior Criminal Research Attorney and those 0676 Research Assistants hired prior to September 1992 would be reimbursed up to \$500 each, subject to availability of funds, for professional training and education.

Flexible Benefit Allowance

Effective July 1, 1996, the City would, at the employee's option either contribute \$150 per month to each employee participating in the City's 125 Cafeteria Plan (this Plan provides for a tax free package of benefits to employees) or \$140 per month to each covered employee who elects to receive a direct payment for individual benefit options. The \$150

BOARD OF SUPERVISORS
BUDGET ANALYST

represents an increase of \$75 from the \$75 amount provided for in FY 1995-96 and the \$140 represents an increase of \$70 from the \$70 amount provided for FY 1995-96.

Life Insurance

The City would continue to provide life insurance in the amount of \$125,000 to each covered employee or make such life insurance available to each covered employee through the City's 125 Cafeteria Plan.

Retirement Pick-up

City employees formally contributed 7.5 to 8 percent of their wages through payroll deduction towards their retirement pensions. Under the proposed ordinance, effective July 1, 1996 the City would continue to pick-up 1.3 of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up the full 7.5 percent of the employee's share of retirement costs.

Management Information System (MIS) Specialists

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classification</u>	<u>Current No. of Positions</u>
0818 MIS Specialist II	1
0819 MIS Specialist III	4
0595 Fiscal Systems and Services Coordinator	<u>1</u>
Total Positions	6

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the employee classifications listed above would be increased by 1 percent, effective August 24, 1996, and by an additional 1.5 percent effective December 28, 1996.

Compensatory Time Off

Employees in the above-noted classifications would continue to receive compensatory time off for hours worked in excess of 40 hours per week. Compensatory time off would be earned at a rate of time and one-half.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick-up \$225 of the employees' monthly payments for health care insurance coverage for their dependents. Currently, the City picks up \$150 of these costs

Retirement Pick-up

Effective July 1, 1996, the City would pick-up 2.0 percent of the employee's share of retirement. Effective December 28, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Court Investigators, Reporters and Probate Examiners

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
0648 Court Investigator	6
0649 Probate Examiner	4
0655 FCS Counselor	6
0678 Executive Secretary	2
0710 Court Reporter	<u>30</u>
Total Positions	48

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the above-noted positions, with the exception of the 0710 Court Reporter, would receive a 2 percent increase July 1, 1996 and an additional 1.5 percent increase effective January 1, 1997. 0710 Court Reporters would not receive a wage increase because their salaries, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles, who are not expected to receive a pay increase for Fiscal Year 1996-97.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick-up \$225 of the employees' monthly payments for health care insurance coverage for their dependents. The City currently picks up \$150 of these costs.

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Retirement Pick-up

Effective July 13, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Overtime Pay or Compensatory Time

If the two Executive Secretary positions work in excess of 40 hours per week, these positions would continue to receive cash overtime payments at time and one-half unless an employee requests compensatory time off in lieu of cash payments. Compensatory time off for the Court Investigator, Probate Examiner, FCS Counselor, and Court Reporter positions would continue to be earned at a rate of time and one-half. The 0710 Court Reporters would continue to be ineligible for overtime in cash or compensatory time off because their benefits, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles who do not receive these benefits.

Word Processing Premium

Above noted employees who have received a word processing premium continuously from FY 1994-95 to the present (2 employees) would continue to receive a \$0.91 per hour premium, which is the same rate paid in FY 1995-96.

Management

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
555 Chief Executive Officer	1
583 Assistant Clerk of Court	1
584 Assistant Executive Officer	1
585 Manager of Budget & Admin.	1
588 Court Coordinator	21
590 Court Assistant Senior	3
592 Payroll/Personnel Director	1
622 Deputy Jury Commissioner	1
634 Manager of Court Operations	3
636 Division Chief	5
640 Director of FCS	1
646 Assistant Director of Probate	1
647 Director of Probate	1
650 Traffic Hearing Officer	1
657 Mental Health Coordinator	1
677 Judicial Secretary Coordinator	1
821 Computer Coordinator	<u>1</u>
Total Positions	45

BOARD OF SUPERVISORS
BUDGET ANALYST

The proposed ordinance includes the following provisions for the above-noted positions;

Administrative Leave

Each full-time employee in the positions of 555 Chief Executive Officer, 583 Assistant Clerk of Court, 584 Assistant Executive Officer and 585 Manager of Budget and Administration classifications noted above would continue to receive five days of administrative leave per year. Administrative leave for these employees may not be carried forward to subsequent years and cannot be cashed out. The remaining above-noted employees would continue to receive administrative leave earned on a straight time basis for hours worked in excess of 40 hours per week. In no case would these employees be allowed to accrue more than 80 hours of administrative leave annually

Flexible Benefit Package-Payout

In FY 1995-96, the City set aside \$75 per month per covered employee for payment toward flexible benefits. Those employees who worked for the Superior Court for the entire period of October 1, 1995 to June 30, 1996, and who elected to have the amount held for them set aside, pending the development of a flexible benefit plan, would have such amount paid to them by September 1, 1996. This payout would relieve the City of all obligations regarding the flexible benefit program for FY 1995-96.

Flexible Benefit Package

The City would continue to contribute \$75 per month effective July 1, 1996 toward a flexible benefit package for the covered employees. Effective October 1, 1996 the City would contribute \$150 per month for covered employees.

Retirement Pick-up

Effective July 1, 1996 the City would pick-up 4 percent of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up 5 percent of these costs. The City currently picks up 3 percent of the employee's share of these costs.

Comments

1. The increased annual costs to the City for the provisions listed above, as estimated by the Controller's Office, are outlined in the Attachment.

2. The Budget Analyst concurs with the Controller's estimates of the increased annual costs to the City. The Budget Analyst notes that the monies for these increased costs are currently on reserve in the Mayor's recommended 1996-97 budget.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 11, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

PAGES 20 THROUGH 22
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DUPLICATE
PAGES

CITY AND COUNTY OF SAN FRANCISCO

OFFICE OF THE CONTROLLER

Edward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

June 7, 1996

Mr. John L. Taylor, Clerk of the Board
Board of Supervisors
401 Van Ness Avenue
San Francisco, CA 94102

Re: Superior/Municipal Court Compensation and Benefits Ordinances 1996-97

Dear Mr. Taylor:

In accordance with Ordinance 92-94, I submit herewith a cost analysis of the compensation and benefit ordinances for the Superior and Municipal Courts. With the approval of the Board of Supervisors, the courts may establish compensation and benefit rates for their employees pursuant to Government Code Section 69900.

Superior Court Employees are Benchmarked to Like City Employee Groups.

The Superior Court ordinance covers about 115 employees with a salary base of approximately \$7 million. The Superior Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted other City workers performing similar duties. For example, a Superior Court management position would receive the equivalent salary and benefits increase that a Municipal Executive Association(MEA) employee is scheduled to receive.

Based our analysis, if adopted by the Board, the ordinance would result in cost increase in salary, health and retirement pick-ups of approximately \$220,000 in 1996-97 or about 3.4% of their salary base. Please refer to Attachment A which outlines the costs by category.

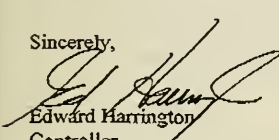
All Municipal Court Employees are Benchmarked to the SEIU Package.

The Municipal Court ordinance covers about 200 employees with a salary base of approximately \$9.4 million. The Municipal Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted SEIU locals in the City.

Based our analysis, if adopted by the Board, the ordinance would result in cost increases in salary, health and retirement pick-ups of approximately \$540,000 in 1996-97 or approximately 5.7% of their salary base. Please refer to Attachment B which outlines the costs by category. In addition, the ordinance contain a \$0.30 per hour longevity premium for all employees with over 10 years of services. This provision could cost the City up to an additional \$100,000 a year.

Please let me know if you have additional questions.

Sincerely,


Edward Harrington
Controller

cc: Harvey Rose, Budget Analyst

Attachment B
Municipal Court
Salary Ordinance
Fiscal Year 1996-97
Revised 6/10/96

Description	Dependent Health Pick-Up	Retirement Pick-Up	Salary Increase	Total 1996-97 Incremental Costs
MUNICIPAL COURT - MISCELLANEOUS	79,200	146,565	231,756	457,521
MUNICIPAL COURT - COURT REPORTERS	9,000	24,672	0	33,672
TOTAL	88,200	171,237	231,756	491,193

Average % increase of Salary Base: 5.74%

MINUTES

REGULAR MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JUNE 11, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI

ABSENT: SUPERVISOR LESLIE KATZ

CLERK: MARY L. RED

TIME MEETING CONVENED 1:16 P.M.

DOCUMENTS DEPT.

FEB 11 1997

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REGULAR CALENDAR

1. File 95-96-1. [Annual Audit, Controller's Books] Resolution ordering an annual audit of Controller's books, and authorizing a three-year contract with a consortium of accounting firms. (Controller)
(Continued from 5/30/96)

SPEAKERS: John Madden, Controller.

ACTION: Hearing held. RECOMMENDED.

2. File 19-96-5. [Parking Regulations, Various Locations] Hearing to consider establishing "Two-Hour Parking Time Limit, 8AM - 6 PM, Monday, Through Friday at 23rd Street; Potrero Avenue and Vermont Street; Potrero Avenue, east side, between 20th and 23rd Streets. Also see Files 40-96-3 and 124-96-2 DPT Order No. 1011. (Department of Parking and Traffic)

SPEAKERS: John Newlin, Parking & Traffic Department; Supervisor Ammiano;
Jerry Rankin, S.F.G.H.; Supervisor Yaki.

Oppose: M. Howard; Linda Schneit; Pamela Harris; Deidre Carrigan;
James Knowlen; Mr. Grant; John Wilson; Peter Borodin

Support: J. Luis Adriasola; Chris Benitz; Charlie Burnett; Liz Killian;
Peter Diggs; S. Page; Thayer Hopkins; Ms. Batter; Jing Woo; Dale Buttler,
Local 790.

ACTION: Hearing held. Department of Parking and Traffic recommendations were RECOMMENDED. Resolution prepared in and reported out of committee entitled, "Enacting parking regulations on 23rd Street and Potrero Avenue."

3. File 40-96-3. [Residential Parking Area "W," Potrero Hill] Resolution establishing Residential Permit Parking Area "W" in the Potrero Hill Area, setting the boundaries therefor and the applicable time limitations. (Department of Parking and Traffic)

SPEAKERS: John Newlin, Parking & Traffic Department; Supervisor Ammiano;
Jerry Rankin, S.F.G.H.; Supervisor Yaki.

Oppose: M. Howard; Linda Schneit; Pamela Harris; Deidre Carrigan;
James Knowlen; Mr. Grant; John Wilson; Peter Borodin

Support: J. Luis Adriasola; Chris Benitz; Charlie Burnett; Liz Killian;
Peter Diggs; S. Page; Thayer Hopkins; Ms. Batter; Jing Woo; Dale Buttler,
Local 790.

ACTION: Hearing held. RECOMMENDED.

4. File 124-96-2. [Parking Control, Street Areas Within SFGH] Ordinance amending Traffic Code Section 32.2 to require a permit to park in additional areas adjacent to San Francisco General Hospital; companion measure to File 199-96-1. (Department of Parking and Traffic)
(Continued from 2/13)

SPEAKERS: John Newlin, Parking & Traffic Department; Supervisor Ammiano; Jerry Rankin, S.F.G.H.; Supervisor Yaki.

Oppose: M. Howard; Linda Schneit; Pamela Harris; Deidre Carrigan; James Knowlen; Mr. Grant; John Wilson; Peter Borodin

Support: J. Luis Adriasola; Chris Benitz; Charlie Burnett; Liz Killian; Peter Diggs; S. Page; Thayer Hopkins; Ms. Batter; Jing Woo; Dale Buttler, Local 790.

ACTION: Hearing held. RECOMMENDED.

5. File 47-96-7. [Parking Rates for Hospital] Resolution approving parking rates for the San Francisco General Hospital Medical Center Parking System. (Department of Parking and Traffic)

SPEAKERS: John Newlin, Parking & Traffic Department; Supervisor Ammiano; Jerry Rankin, S.F.G.H.; Supervisor Yaki.

Oppose: M. Howard; Linda Schneit; Pamela Harris; Deidre Carrigan; James Knowlen; Mr. Grant; John Wilson; Peter Borodin

Support: J. Luis Adriasola; Chris Benitz; Charlie Burnett; Liz Killian; Peter Diggs; S. Page; Thayer Hopkins; Ms. Batter; Jing Woo; Dale Buttler, Local 790.

ACTION: Hearing held. RECOMMENDED.

6. File 106-96-2. [Compensation Schedules for Superior Court] Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Supervisor Court for the City and County of San Francisco. (Superior Court)

SPEAKERS: None.

ACTION: Amendment of the Whole (as presented by Department) adopted.
Consideration continued to June 25.

7. File 106-96-3. [Compensation, Municipal Court, FY 1996-97] Ordinance setting schedules of compensation and other economic benefits for fiscal year 1996-97 for certain classifications of persons employed by the Municipal Court for the City and County of San Francisco. (Municipal Court)

SPEAKERS: None.

ACTION: Amendment of the Whole (as presented by Department) adopted.
Consideration continued to June 25.

8. File 65-96-10. [Lease Modification] Ordinance approving reaffirmation and first amendment to lease and consent to encumbrance with Bundox Restaurant, Inc., DBA the Waterfront Restaurant at Pier 7-1/2 (Broadway and the Embarcadero). (Supervisor Kaufman)

SPEAKERS: Fred Light, Port of S.F.

ACTION: RECOMMENDED.

9. File 172-96-16. [Medical Services Contract] Ordinance authorizing the Director of Public Health to execute an agreement with Blue Cross of California for the Department of Public Health to provide services to Blue Cross Medi-Cal Managed Care subscribers, which agreement includes binding arbitration and indemnification clauses. (Department of Public Health)

SPEAKERS: Richard Cordova, Exc. Admin. SFGH; Supervisor Ammiano; Dr. Hernandez, Health Dept.; Ted Lakey, City Attorney; Supervisor Yaki.
Neither: Fred Hopkins.

ACTION: Hearing held. RECOMMENDED.

10. File 199-96-2. [Findings, Old Main Library Jurisdictional Transfer] Resolution adopting findings pursuant to the California Environmental Quality Act relating to the transfer of jurisdiction of the Old Main Library building from the Library Commission to the Asian Art Commission, as analyzed in the San Francisco Main Library Final Environmental Impact Report, Case No. 90.808E and re-evaluated in the Asian Art Museum Project EIR Addendum to that Environmental Impact Report, dated May 1, 1996; companion measure to File 199-96-2.1. (Supervisor Shelley)

SPEAKERS: Mindy Linetzky; Supervisor Ammiano; Supervisor Yaki.
Support: Thomas Wood.

ACTION: Hearing held. RECOMMENDED.

11. File 199-96-2.1. [Jurisdictional Transfer, Old Main Library] Resolution transferring jurisdiction from the Library Commission to the Asian Art Commission of Lot 1 in Assessor's Block 353, known as Old Main Library and Library Annex, for museum use; and adopting findings pursuant to City Planning Code Section 101.1; companion measure to File 199-96-2. (Supervisor Shelley)

SPEAKERS: Mindy Linetzky; Supervisor Ammiano; Supervisor Yaki.
Support: Thomas Wood.

ACTION: Hearing held. RECOMMENDED.

12. File 23-96-2. [Waiving Statute of Limitations] Resolution waiving the statute of limitations with respect to payment of certain warrants of the City and County of San Francisco, in the amount of \$14,207.13, a legal obligation of the City and County of San Francisco. (Payee: George S. Smandra)

SPEAKERS: John Madden, Controller.

ACTION: RECOMMENDED.

13. File 25-96-1. [Prop J Contract, Janitorial Services] Resolution concurring with the Controller's certification that janitorial services for the Port of San Francisco can be practically performed by a private contractor at lower cost than by City and County employees. (Port of San Francisco)

SPEAKERS: None.

ACTION: Consideration continued to call of the chair at request of Department.

14. File 25-96-10. [Prop J Contract, Shuttle Bus Services] Resolution approving the Controller's certification that shuttle bus services for San Francisco International Airport can practically be performed by private contractor at a lower cost for the fiscal year commencing July 1, 1996 than if work were performed by City and County employees. (Airport)

SPEAKERS: Sally Osaki, Airport; Dan Wong, Airport.

ACTION: Hearing held. RECOMMENDED.

15. File 89-96-3. [SDI Coverage, 1675 Supervising Fiscal Officer] Resolution authorizing enrollment of classification(s) 1675 Supervising Fiscal Officer in the State Disability Insurance Program. (Department of Human Resources)

SPEAKERS: Lynn Susoeff, Employee Relations Division.

ACTION: RECOMMENDED.

16. File 101-94-107.2. [Reserved Funds, Port] Hearing to consider release of reserved funds, Port (SF Harbor Operating funds), in the amount of \$250,000 for construction work to be performed by Rigging International for the repair and upgrade of cranes at Pier 70 shipyard. (Also see File 144-95-1.2). (Port)

SPEAKERS: Veronica Sanchez, Port of S.F.

ACTION: Hearing held. Release of \$250,000 approved. FILE.

17. File 144-95-1.2. [Reserved Funds, Port] Hearing to consider release of reserved funds, Port (State and Federal Grants), totaling \$1,750,000 for preconstruction work and payment of contract awarded to Rigging International for the repair and upgrade of cranes at Pier 70 shipyard. (Also see File 101-94-107.2). (Port)

SPEAKERS: Veronica Sanchez, Port of S.F.

ACTION: Hearing held. Release of \$1,750,000 approved. FILE.

18. File 133-92-2.11. [Reserved Funds, CAO/Solid Waste Management] Hearing to consider release of funds, Chief Administrative Officer/Solid Waste Management Program (1992-93 Budget), in the amount of \$18,760 for contractual services of Monroy & Cover Design, to design and print five (5) brochures for the Recycling Market Development Zone. (CAO/Solid Waste Management Program).

SPEAKERS: David Assmann, Solidwaste Program.

ACTION: Hearing held. Clerical error on Budget Analyst report page 58; amount of \$23,760 incorrect. Release of \$18,760 approved. FILED.

19. File 254-96-1. [Funding Disparity/Asian Nonprofit Agencies] Hearing to study the funding level for Asian nonprofit agencies. (Supervisor Teng)

SPEAKERS: Supervisor Teng; Gail Kong, Exc. Dir. Asian-Pacific American Fund; Supervisor Yaki; Supervisor Ammiano.

City Depts. Represented: Bill Lee, CAO; Mike Wald, Dir. Social Services; Steve Arcelona, Private Industry Council; Cheyenne Bell, Juvenile Probation; John Young, MOCD; Keith Chow, MCJC; Sarah Ecker, DPH (Budget Manager); Larry Meredith, DPH; Joseph Lam, MOCYF.

Stan Yogi; Alan Wong, Dir. Asian American Recovery Services; Rev. Norman Fong, Chinatown Research Center; Yung Chow Hsieh, Korean Community; Steve Nakajo, Exc. Dir. Kimoshi Senior Center; Becky, Asian Women's Shelter; John O'Saki, Exc. Dir. Japanese Youth Council; Chris Herono, Japanese Youth Center; Peter chong, Chinatown, YMCA; Tse Mingtam; Ein Pollack, Artist; Lawrence Sang.

ACTION: Hearing held. Consideration continued to call of the chair.

LITIGATION:

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

20. File 45-96-32. [Furnelli dba Solid Gold, Inc. v. CCSF, et al.] Ordinance approving a settlement between Elizabeth Furnelli dba Solid Gold, Inc. and the City and County of San Francisco, the San Francisco Police Department, the San Francisco Chief of Police and the San Francisco Board of Permit Appeals involving removal of permit restrictions previously imposed by the Board of Permit Appeals. (USDC Northern District of California No. C-95-3517 SAW). (City Attorney)

ACTION: RECOMMENDED.

21. File 45-96-33. [Scott Davis v. CCSF] Ordinance authorizing settlement of litigation of Scott Davis against the City and County of San Francisco by payment of \$15,000. (Superior Court No. 952-773). (City Attorney)

ACTION: RECOMMENDED.

22. File 45-96-34. [W. Chapot Construction Co., Inc. v. CCSF] Ordinance authorizing settlement of litigation of W. Chapot Construction Co., Inc. against the City and County of San Francisco by payment of \$27,500. Superior Court No. 969-729. (City Attorney)

ACTION: RECOMMENDED.

23. File 45-96-35. [Settlement of Tax Refund Litigation, GTE Sprint] Ordinance authorizing the City Attorney to sign a settlement agreement with GTE Sprint Communications Corporation in settlement of a refund claim in the sum of \$339,865 (consisting of approximately \$227,561 in tax to be refunded and \$112,304 interest) to be offset against GTE Sprint Communication Corporation's 1995 tax liability of approximately \$310,104 with the remaining approximately \$29,761 to be paid in cash no later than September 1, 1996. (City Attorney)

ACTION: RECOMMENDED.

24. File 48-96-18. [Settlement of Claim, William T. Wandall] Resolution approving the settlement of the unlitigated claim of William T. Wandall by payment of \$6,333.00. (City Attorney)

ACTION: RECOMMENDED.

25. File 48-96-19. [Settlement of Claim, Theresa Thompson] Resolution approving the settlement of the unlitigated claim of Theresa Thompson by payment of \$27,000. (City Attorney)

ACTION: RECOMMENDED.

26. File 45-96-36. [Settlement of Lawsuit] Ordinance authorizing settlement of litigation in the matter entitled Jensen v. the City and County of San Francisco, ET AL., for \$80,000. Superior Court No. 971-309. (City Attorney)

ACTION: RECOMMENDED.

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the proposed settlements listed above at this time and may move not to disclose any information at this time.

VOTES ON ALL ITEMS 2-0.

TIME MEETING ADJOURNED 4:20 P.M.

MINUTES

SPECIAL MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

THURSDAY, JUNE 13, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ,

DOCUMENTS DEPT.

CLERK: MARY L. RED

FEB 11 1997

TIME MEETING CONVENED 1:25 P.M.

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1. File 93-96-21. [Amendment to Memorandum of Understanding] Ordinance implementing the provisions of an amendment to Memorandum of Understanding between the Transport Workers of America, Local 250A (7410 Automotive Service Worker) and the Transport Workers of America, Local 200 and the Machinists Union Lodge No. 1414 and the Building Material and Construction Teamsters, Local 216 and the Laborers Union, Local 261 and the International Brotherhood of Electrical Workers, Local 6 and the Service Employees International Union, Local 790 and the Stationary Engineers, Local 39 and the City and County of San Francisco providing for employee assistance for the period June 30, 1996 through June 30, 1997. (Supervisor Shelley)

**** ALL ITEMS CALLED AT SAME TIME; SAME SPEAKERS FOR ALL ITEMS:**

SPEAKERS: Mindy Linetzky, (Supv. Shelley's Aide); Wendell Pryor, Dir. Human Resources; Lawanda Preston, Local 790; Joe Barnes, MUNI; John Madden, Controller; Geoff Rothman, Employee Relations; Supervisor Yaki; David Novogrodsky, Local 21.

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.
(MOU amended on page 4; see file for details)

2. File 93-96-22. [MOU, Local 104] Ordinance implementing the provisions of a mediated settlement between the sheetmetal workers international union, Local 104 and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.

3. File 93-96-23. [Compensation, Local 6] Ordinance implementing the provisions of an arbitrator's award between the International Brotherhood of Electrical Workers, Local 6 and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.
Amendment of the Whole of MOU submitted by ERD.

4. File 93-96-24. [MOU, Local 856] Ordinance implementing the provisions of a mediated settlement approved by the panel of arbitrators between the Probation Officers Association, Teamsters Local 856 and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.

5. File 93-96-25. [Transfer of Vested Leave Balances] Ordinance providing for the transfer of vested sick leave and vacation balances by qualifying employees of the Adult and Juvenile Probation Departments to reduce shortages in their City Retirement accounts in order to facilitate the transfer of prior service to the California Public Employees' Retirement System pursuant to Charter Section A8.506-2. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.

6. File 93-95-25.2. [MOU, District Attorney Investigators Association] Ordinance amending Ordinance No. 133-95 to implement the provisions of a mediated settlement dated May 24, 1996 between the District Attorney Investigators Association and the City and County of San Francisco for the period July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.

7. File 93-95-35.4. [Compensation, Local 21] Ordinance amending Ordinance 221-95 to implement the provisions of an arbitrator's award between the International Federation of Professional and Technical Engineers, Local 21, AFL-CIO and the City and County of San Francisco to be effective July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.
Amendment to arbitrator's award submitted in committee.

8. File 93-96-10.1. [MOU, Local 38] Ordinance amending Ordinance No. 168-96 to correct clerical errors by adopting and implementing the provision of Amendment Number 1 to the Memorandum of Understanding between Plumbing and Pipe Fitting Industry, Local 38 and the City and County of San Francisco to be effective July 1, 1996 through June 30, 1997. (Supervisor Shelley)

ACTION: Hearing held. RECOMMENDED to Board June 17 as Committee Report.

VOTE ON ALL ITEMS 3-0.

TIME MEETING ADJOURNED 1:50 P.M.

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3

6/25/96

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

June 21, 1996

DOCUMENTS DEPT.

JUN 25 1996

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TO: Government Efficiency and Labor Committee

FROM: Budget Analyst *Recommendations for meeting of*

SUBJECT: June 25, 1996 Government Efficiency and Labor Committee Meeting

Item 1a - File 146-96-9

Department: Department of Public Health (DPH)

Item: Resolution authorizing the Department of Public Health, to accept and expend retroactively a new grant of \$190,691, from the Miriam and Peter Haas Fund, to create an integrated model of targeted consultation by establishing an intensive consultant training program for licensed, center-based early childhood programs; and waiving indirect costs.

Grant Amount: \$190,691

Grant Period: April 1, 1996 to March 31, 1997

Source of Funds: Miriam and Peter Haas Fund

Description: The Board of Supervisors previously approved legislation authorizing the DPH to apply for the proposed grant funds (File 146-96-2). The proposed grant funds would be used to pay for contract services for mental health professionals who will be trained to provide consultation, staff training, prevention and early intervention services and support to approximately 200 licensed, center-based early childhood programs serving San Francisco low-income families.

Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

The DPH advises that Westside Community Mental Health Center an existing contractor with DPH's Division of Mental Health and Substance Abuse, will be awarded the \$190,691 in grant funds , on a sole source basis, to serve as the fiscal agent for these funds. As fiscal agent, Westside Community Mental Health Center would be responsible for hiring the project staff and for the fiscal monitoring of the project. The DPH would be responsible for monitoring the program services provided under the project. The DPH reports that it is contracting with Westside Community Mental Health Center on a sole source basis due to Westside Community Mental Health Center's historical experience in project coordination with DPH, and its proven effectiveness in monitoring and delivering services, based on their existing contract with DPH.

Budget:

Westside Community Mental Health Center

Personnel

Project Coordinator (.04 FTE)	\$2,500
Clinicians (2 FTE)	94,000
Consultants (1.5 FTE)	57,000
Benefits	<u>30,700</u>
Subtotal - Personnel	\$184,200

Operating Expenses

Mileage	\$711
Postage	100
Telephone, Utilities	4,260
Insurance	<u>1,420</u>
Subtotal - Operating Expenses	6,491

Total \$190,691

Required Match: None

Indirect Costs: None - grantor does not allow expenditure of grant funds for indirect costs

Comments: 1. As noted above, the proposed grant project has a start-up date of April 1, 1996. However, the DPH advises that no expenditures have been incurred against the proposed grant funds to date. Therefore, the DPH does not require authorization to accept and expend the proposed grant funds retroactively. As such, the proposed legislation should be amended to delete reference to "retroactively" with respect to the acceptance and expenditure of the proposed grant funds from the title and the body of the proposed legislation.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. A summary of the grant project, as prepared by the DPH, is attached.

3. A Disability Access Checklist for the proposed grant project, as prepared by the DPH, is on file with the Clerk of the Board's Office.

Recommendation: Amend the proposed legislation to delete reference to the term "retroactively" with respect to acceptance and expenditure of the proposed grant funds from the title and the body of the proposed legislation, and approve the proposed legislation as amended

Item No. _____

Health Commission - Summary of Grant Request

Grantor: Miriam & Peter Haas Fund
 Contact Person: Michele Perlmutter
 Address: 201 Filbert Street,
San Francisco, CA
 Amount Requested: \$ 190,691.00
 Term: From 4/1/96 To 3/31/97

Division: Mental Health
 Section: Children, Youth & Families
 Contact Person: Philip Tse
 Telephone: 255-3637
 Application Deadline: _____
 Notification Expected: February, 1996

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a) grant in the amount of \$ 190,691.00 from the period of (Circle or Underline) April 1, 1996 to March 31, 1997 to provide training consultation, prevention and early intervention services.

II. Summary: (Purpose; Funding Year; Target Groups; Services; Providers)

The grant is to create an integrated model of targeted consultation by establishing an intensive consultant training program which will prepare mental health practitioners to provide consultation, staff training, prevention and early intervention services and support for constituents of licensed, center-based early childhood programs serving San Francisco low-income children and their families.

III. Outcomes/Objectives:

1. Provide training to 4 mental health professionals in consultation.
2. 200 child care providers will learn about mental health prevention & intervention.
3. 1,550 low-income children will have received the services.

IV. Effects of Reduction or Termination of These Funds:

At-risk children and families will not be served.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Yr./Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved By
Grant Amount			190,691			
Personnel						
Equipment						
*Contract Svc.			190,691			
Mat. & Supp.						
Facilities/Space						
Other						
Indirect Costs						
VI. Data Processing						
(costs included above)						
VII. Personnel						
F/T Civil Service						
P/T Civil Service						
Contractual						

Source(s) of non-grant funding for salaries of Civil Service employees working part-time on this grant:

Will grant funded employees be retained after this grant terminates? If so, How?
 No

*VIII. Contractual Services: Open Bid _____ Sole Source X (if sole source, attach Request for Exemption Form)

Item 1b - File 146-96-10

Department: Department of Public Health (DPH)
Community Public Health Services

Item: Resolution authorizing the Department of Public Health to apply for, accept and expend retroactively a grant of \$119,143 from the University of California Universitywide AIDS Research Program to evaluate the referral component of the HIV Counseling, Testing, Referral and Partner Notification (CTRPN) program, waiving indirect costs.

Grant Amount: \$119,143

Grant Period: July 1, 1996 to June 30, 1998.

Source of Funds: The University of California Universitywide AIDS Research Program

Project: A Program Evaluation of the referral component of the DPH's HIV Counseling, Testing, Referral and Partner Notification (CTRPN) programs.

Description: The proposed project would assess the referral component of HIV Counseling, Testing, Referral and Partner Notification (CTRPN) programs to 1) determine the nature and volume of HIV prevention service referrals; 2) identify the extent of referral follow-through; 3) to assess the effect of enhanced intervention to increase client referral follow-through; and 4) evaluate the cost effectiveness of enhanced intervention to increase referral follow-through.

The target group for the proposed program evaluation is high-risk, confidentially tested seronegative CTRPN clients. For the purposes of this project, a seronegative client is an individual who 1) takes a confidential HIV antibody test at a participating clinic; 2) tests negative for the HIV antibody; and 3) returns to the clinic site to obtain the test results. The San Francisco City Clinic, the Family Health Bureau, Forensics Services, and San Francisco General Hospital would participate in the proposed project. A total of approximately 360 consenting clients would participate in the proposed project.

Budget: Attachment 1 provided by DPH details the \$119,143 budget for the proposed project, which is entirely funded by the proposed grant. The budget would be expended over two years. Of the \$119,143 budget, \$59,347 would be allocated

Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

for the first year and \$59,796 would be allocated for the second year of the proposed project.

Required Match: None.

Indirect Costs: None.

Comments:

1. According to Dr. Rani Marx of DPH's Division of Epidemiology, Disease Control and the AIDS Office, HIV Counseling, Testing, Referral and Partner Notification (CTRPN) programs are offered at various sites, including private and public health clinics, hospital settings, and family planning and drug treatment clinics. Confidential CTRPN programs provide HIV testing services in which clients provide personal identifiers (name and address) to the health care provider, and clients have a confidential relationship with the health care provider. Dr. Marx reports that clients are offered counseling, and clients may give written permission for the health care provider to share their HIV test results with a third party.
2. Attachment 2 is a Summary of Grant Request form, as prepared by the CAO's Office, for the proposed grant funds.
3. The Disability Access Checklist for this grant project is on file with the Clerk of the Board.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Mitchell H. Katz, MD

Principal Investigator

Budget
(Use only this form)Year: 1

(Submit a separate budget for each year. Observe limitations applicable to award.)

- 1) Personnel (List all professional and support personnel, including yourself, to be associated with the project, whether or not salary is requested.)

Name	Title of Position	% of Time on project	Salary	Benefits	Total
M. Katz	Principal Investigator	10%	0	0	0
R. Marx	Co-PI/Project Director	25%	15,786	4,065	19,851
J. Kahn	Co-PI	5%	0	0	0
TBN	Project Coordinator	30%	14,983	4,356	19,339
TBN	Client Advocates (3)	393 hr. each	4,374 each	0	13,122
A. Gleghorn	Consultant	5%	0	0	0
L. Fischer-Ponce	Consultant	5%	0	0	0
F. Hecht	Consultant	5%	0	0	0
Total Personnel:					\$ 52,312

- 2) Supplies and Expenses (list general categories)

Office supplies/postage/publications	contributed	
Printing/photocopying	contributed	
Delivery	contributed	
Telephone	contributed	
Computer network support	contributed	
Space rental	contributed	
Subject research reimbursement	3,600	
Subject intervention reimbursement	2,850	
Total S&E:		\$ 6,450

- 3) Equipment (list all items over \$500 and justify)

Total Equipment: \$ 0

- 4) Travel: (do not include costs for attending UARP AIDS Investigators' Meeting)
Local Travel

Total Travel: \$ 585
Total Requested: \$ 59,347

Mitchell H. Katz, MD

Principal Investigator

Budget
(Use only this form)Year: 2

(Submit a separate budget for each year. Observe limitations applicable to award.)

- 1) Personnel (List all professional and support personnel,
- including yourself
- , to be associated with the project, whether or not salary is requested.)

Name	Title of Position	% of Time on project	Salary	Benefits	Total
M. Katz	Principal Investigator	10%	0	0	0
R. Marx	Co-PI/Project Director	25%	16,257	4,186	20,443
J. Kalin	Co-PI	5%	0	0	0
TBN	Project Coordinator	30%	15,433	4,486	19,919
TBN	Client Advocates (3)	393 hr. each	4,418 each	0	13,254
A. Gleghorn	Consultant	5%	0	0	0
L. Fischer-Ponce	Consultant	5%	0	0	0
F. Hecht	Consultant	5%	0	0	0

Total Personnel: \$ 53,616

- 2) Supplies and Expenses (list general categories)

Office supplies/postage/publications	contributed
Printing/photocopying	contributed
Delivery	contributed
Telephone	contributed
Computer network support	contributed
Space rental	contributed
Subject research reimbursement	2,880
Subject intervention reimbursement	2,850

Total S&E: \$ 5,730

- 3) Equipment (list all items over \$500 and justify)

Total Equipment: \$ 0

- 4) Travel: (do not include costs for attending UARP AIDS Investigators' Meeting)

Local Travel

Total Travel: \$ 450Total Requested: \$ 59,796

Summary of Grant RequestAttachment 2

Grantor: Universitywide Aids Research Prg. Division: Epidemiology, Disease Control & AIDS
 Contact Person: George Lemp, PhD. Section: AIDS Office
 Address: 300 Lakeside Dr., 12th fl. Contact Person: Mitchell Katz, M.D.
Oakland, CA 94612 Telephone: 554-9010
 Amount Requested: \$119,143 Application Deadline: 3/15/96
 Term: From 7/1/96 To 6/30/98 Notification Expected: 6/96

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation)
 (Circle or (augmentation to a) grant in the amount of \$119,143 from the period of
 Underline) 7/1/96 to 6/30/98 to provide an evaluation
 and intervention to increase the referral component of CTRPN services.

II. Summary: (Purpose; Funding Year; Target Groups; Services; Providers)

To evaluate the referral component of CTRPN for high risk confidentially tested
 seronegative CTRPN clients. Target group is men having sex with men (MSM)
 injection drug users (IDUs); women with high risk partners (HIV+, MSM, or IDV partner
 Services include: CTRPN referrals. Providers: SF City Clinic, Family Health, Forensi
 SFGH -- all are confidential CTRPN sites.

III. Outcomes/Objectives:

1) Describe nature and volume of HIV prevention service referrals given to confiden-
 tially tested highrisk seronegative CTRPN clients; 2) Identify extent and determi-
 nents of referral follow through; 3) Evaluate effectiveness and cost effectiveness
 of enhanced intervention to increase referral follow through.

IV. Effects of Reduction or Termination of These Funds:

Not applicable.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Yr./Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved By
Grant Amount			\$119,143			
Personnel			105,928			
Equipment						
*Contract Svc.						
Mat. & Supp.			12,180			
Facilities/Space						
Other (Travel)			1,035			
Indirect Costs						

VI. Data Processing

(costs included above)

VII. Personnel

F/T Civil Service						
P/T Civil Service			.78			
Contractual						

Source(s) of non-grant funding for salaries of Civil Service employees working part-time on this grant:

Other AIDS grants and general fund.

Will grant funded employees be retained after this grant terminates? If so, How?

No

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if sole source, attach Request for Exemption Form)

Item 2 - File 106-96-2

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of June 11, 1996.

Department: Superior Court

Item: Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Superior Court for the City and County of San Francisco.

Description: The proposed ordinance would fix compensation and other economic benefits for 28 classifications of employees of the Superior Court for FY 1996-97. The proposed ordinance, which relates to employees who are not represented by an employee organization, would be adopted pursuant to California Government Code Section 69900, and would establish economic conditions of employment and the methods of employee compensation.

The proposed ordinance would provide differing compensation changes and other provisions to the covered employees, depending upon their classification. The 28 classifications covering 115 positions are divided into four groups for purposes of making these distinctions under the proposed ordinance. The groups generally pertain to the following types of employees: (1) attorneys, (2) management information systems specialists, (3) court investigators, reporters and probate examiners, and (4) management and supervisors.

Consistent with City MOUs, employees in all 28 classifications would be eligible to request a "supervisory differential adjustment" if (1) they regularly supervise the technical content of one or more subordinate's work, and (2) their salary range is less than five percent over that of the employee being supervised. Application of the supervisory differential adjustment would be made at the discretion of the Chief Executive Officer of the Superior Court. The amount of such adjustment could not exceed five percent of the salary of the highest paid employee supervised, or ten percent of the supervisor's current basic compensation.

The proposed salary schedule for the covered employees is contained in the proposed ordinance as Appendix 1. The major fiscal provisions of the proposed ordinance are summarized for each group of classifications as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

Attorneys

The Superior Court positions covered by the provisions related to this group of classifications are:

<u>Classification</u>	<u>Current No. of Positions</u>
0174 Staff Attorney	5
0175 Senior Criminal Research Attorney	1
0676 Research Assistant	<u>10</u>
Total Positions	16

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the employee classifications listed above would be increased by 2.5 percent effective July 1, 1996.

Administrative Leave

Each full-time employee in the above-noted classifications would continue to receive five days of administrative leave per year in addition to vacation time. These employees would not be eligible to receive overtime or compensatory time off.

Bar Dues

Each full-time Attorney, who has worked for the Superior Court for more than one year as of January 15, 1997, would continue to be reimbursed for the full amount of the annual California State Bar dues, which are currently \$480 per year.

Tuition and Educational Fund

The City would continue to provide an Educational Fund of \$3,000 for FY 1996-97. Employees in the above-noted classifications of 0174 Staff Attorney and 0175 Senior Criminal Research Attorney and those 0676 Research Assistants hired prior to September 1992 would be reimbursed up to \$500 each, subject to availability of funds, for professional training and education.

Flexible Benefit Allowance

Effective July 1, 1996, the City would, at the employee's option either contribute \$150 per month to each employee participating in the City's 125 Cafeteria Plan (this Plan provides for a tax free package of benefits to employees) or \$140 per month to each covered employee who elects to receive a direct payment for individual benefit options. The \$150 represents an increase of \$75 from the \$75 amount provided

BOARD OF SUPERVISORS
BUDGET ANALYST

for in FY 1995-96 and the \$140 represents an increase of \$70 from the \$70 amount provided for FY 1995-96.

Life Insurance

The City would continue to provide life insurance in the amount of \$125,000 to each covered employee or make such life insurance available to each covered employee through the City's 125 Cafeteria Plan.

Retirement Pick-up

City employees formally contributed 7.5 to 8 percent of their wages through payroll deduction towards their retirement pensions. Under the proposed ordinance, effective July 1, 1996 the City would continue to pick-up 1.3 of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up the full 7.5 percent of the employee's share of retirement costs.

Management Information System (MIS) Specialists

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classification</u>	<u>Current No. of Positions</u>
0818 MIS Specialist II	1
0819 MIS Specialist III	4
0595 Fiscal Systems and Services Coordinator	<u>1</u>
Total Positions	6

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the employee classifications listed above would be increased by 1 percent, effective August 24, 1996, and by an additional 1.5 percent effective December 28, 1996.

Compensatory Time Off

Employees in the above-noted classifications would continue to receive compensatory time off for hours worked in excess of 40 hours per week. Compensatory time off would be earned at a rate of time and one-half.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick-up \$225 of the employees' monthly payments for health care insurance coverage for their dependents. Currently, the City picks up \$150 of these costs

Retirement Pick-up

Effective July 1, 1996, the City would pick-up 2.0 percent of the employee's share of retirement. Effective December 28, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Court Investigators, Reporters and Probate Examiners

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
0648 Court Investigator	6
0649 Probate Examiner	4
0655 FCS Counselor	6
0678 Executive Secretary	2
0710 Court Reporter	<u>30</u>
Total Positions	48

The proposed ordinance includes the following provisions for the above-noted positions:

Wage Increases

Wages of the above-noted positions, with the exception of the 0710 Court Reporter, would receive a 2 percent increase July 1, 1996 and an additional 1.5 percent increase effective January 1, 1997. 0710 Court Reporters would not receive a wage increase because their salaries, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles, who are not expected to receive a pay increase for Fiscal Year 1996-97.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick-up \$225 of the employees' monthly payments for health care insurance coverage for their dependents. The City currently picks up \$150 of these costs.

Retirement Pick-up

Effective July 13, 1996, the City would pick-up the full 7.5 percent of the employee's share of retirement costs. The City currently picks up 5.5 percent of these costs.

Overtime Pay or Compensatory Time

If the two Executive Secretary positions work in excess of 40 hours per week, these positions would continue to receive cash overtime payments at time and one-half unless an employee requests compensatory time off in lieu of cash payments. Compensatory time off for the Court Investigator, Probate Examiner, FCS Counselor, and Court Reporter positions would continue to be earned at a rate of time and one-half. The 0710 Court Reporters would continue to be ineligible for overtime in cash or compensatory time off because their benefits, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles who do not receive these benefits.

Word Processing Premium

Above noted employees who have received a word processing premium continuously from FY 1994-95 to the present (2 employees) would continue to receive a \$.91 per hour premium, which is the same rate paid in FY 1995-96.

Management

The Superior Court positions covered by the provisions related to this group of classifications are as follows:

<u>Classifications</u>	<u>Current No. of Positions</u>
555 Chief Executive Officer	1
583 Assistant Clerk of Court	1
584 Assistant Executive Officer	1
585 Manager of Budget & Admin.	1
588 Court Coordinator	21
590 Court Assistant Senior	3
592 Payroll/Personnel Director	1
622 Deputy Jury Commissioner	1
634 Manager of Court Operations	3
636 Division Chief	5
640 Director of FCS	1
646 Assistant Director of Probate	1
647 Director of Probate	1
650 Traffic Hearing Officer	1
657 Mental Health Coordinator	1
677 Judicial Secretary Coordinator	1
821 Computer Coordinator	<u>1</u>
Total Positions	45

BOARD OF SUPERVISORS
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The proposed ordinance includes the following provisions for the above-noted positions;

Administrative Leave

Each full-time employee in the positions of 555 Chief Executive Officer, 583 Assistant Clerk of Court, 584 Assistant Executive Officer and 585 Manager of Budget and Administration classifications noted above would continue to receive five days of administrative leave per year. Administrative leave for these employees may not be carried forward to subsequent years and cannot be cashed out. The remaining above-noted employees would continue to receive administrative leave earned on a straight time basis for hours worked in excess of 40 hours per week. In no case would these employees be allowed to accrue more than 80 hours of administrative leave annually

Flexible Benefit Package-Payout

In FY 1995-96, the City set aside \$75 per month per covered employee for payment toward flexible benefits. Those employees who worked for the Superior Court for the entire period of October 1, 1995 to June 30, 1996, and who elected to have the amount held for them set aside, pending the development of a flexible benefit plan, would have such amount paid to them by September 1, 1996. This payout would relieve the City of all obligations regarding the flexible benefit program for FY 1995-96.

Flexible Benefit Package

The City would continue to contribute \$75 per month effective July 1, 1996 toward a flexible benefit package for the covered employees. Effective October 1, 1996 the City would contribute \$150 per month for covered employees.

Retirement Pick-up

Effective July 1, 1996 the City would pick-up 4 percent of the employee's share of retirement costs. Effective January 1, 1997, the City would pick-up 5 percent of these costs. The City currently picks up 3 percent of the employee's share of these costs.

Comments

1. The increased annual costs to the City for the provisions listed above, as estimated by the Controller's Office, are outlined in the Attachment.
2. The Budget Analyst concurs with the Controller's estimates of the increased annual costs to the City. The Budget Analyst notes that the monies for these increased costs are currently on reserve in the Mayor's recommended 1996-97 budget.

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BUDGET ANALYST

3. Ms. Kate Harrison of the Superior Court advises that an Amendment of the Whole to the proposed ordinance is being drafted and will be introduced at the Government Efficiency and Labor Committee meeting on June 25, 1996. As of the writing of this report, the amendment had not been completed. However, Ms. Harrison advises that the amendment will (1) eliminate the Flexible Benefit Package-Payout provision noted above under Management and (2) adjust the date by which the City would pick-up the full 7.5 percent of the employee's share of retirement costs for the Court Investigators, Reporters and Probate Examiners from July 13, 1996 to January 1, 1997.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



CITY AND COUNTY OF SAN FRANCISCO

Attachment
Page 1 of 2
OFFICE OF THE CONTROLLEREdward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

June 7, 1996

Mr. John L. Taylor, Clerk of the Board
Board of Supervisors
401 Van Ness Avenue
San Francisco, CA 94102

Re: Superior/Municipal Court Compensation and Benefits Ordinances 1996-97

Dear Mr. Taylor:

In accordance with Ordinance 92-94, I submit herewith a cost analysis of the compensation and benefit ordinances for the Superior and Municipal Courts. With the approval of the Board of Supervisors, the courts may establish compensation and benefit rates for their employees pursuant to Government Code Section 69900.

Superior Court Employees are Benchmarked to Like City Employee Groups.

The Superior Court ordinance covers about 115 employees with a salary base of approximately \$7 million. The Superior Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted other City workers performing similar duties. For example, a Superior Court management position would receive the equivalent salary and benefits increase that a Municipal Executive Association(MEA) employee is scheduled to receive.

Based our analysis, if adopted by the Board, the ordinance would result in cost increase in salary, health and retirement pick-ups of approximately \$220,000 in 1996-97 or about 3.4% of their salary base. Please refer to Attachment A which outlines the costs by category.

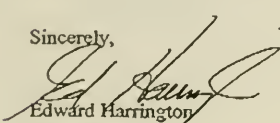
All Municipal Court Employees are Benchmarked to the SEIU Package.

The Municipal Court ordinance covers about 200 employees with a salary base of approximately \$9.4 million. The Municipal Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted SEIU locals in the City.

Based our analysis, if adopted by the Board, the ordinance would result in cost increases in salary, health and retirement pick-ups of approximately \$540,000 in 1996-97 or approximately 5.7% of their salary base. Please refer to Attachment B which outlines the costs by category. In addition, the ordinance contain a \$0.30 per hour longevity premium for all employees with over 10 years of services. This provision could cost the City up to an additional \$100,000 a year.

Please let me know if you have additional questions.

Sincerely,


Edward Harrington
Controller

cc: Harvey Rose, Budget Analyst

Attachment A
Superior Court
Salary Ordinance
Fiscal Year 1996-97

Description	Dependent Health Pick-Up	Retirement Pick-Up	Salary Increase	Total 1996-97 Incremental Costs
SUPERIOR COURT - MISCELLANEOUS	7,200	19,798	31,306	58,304
SUPERIOR COURT - ATTORNEYS	14,280	22,874	26,842	63,996
SUPERIOR COURT - MIS	4,050	7,210	11,055	22,315
SUPERIOR COURT - MANAGEMENT	27,412	29,267	0	56,679
SUPERIOR COURT - COURT REPORTERS	13,500	27,662	0	41,162
TOTAL	66,442	106,811	69,203	242,456

Average % increase of Salary Base: 3.38%

Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

Item 3 - File 106-96-3

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of June 11, 1996.

Department: Municipal Court

Item: Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Municipal Court for the City and County of San Francisco for FY 1996-97

Description: The proposed ordinance would fix compensation and other economic benefits for 22 employee classifications of the Municipal Court. The proposed ordinance which relates to employees who are not represented by an employee organization, would be adopted pursuant to California Government Code Section 74504.5, and would establish conditions of employment and methods of employee compensation.

The Municipal Court positions covered by the proposed ordinance are as follows:

<u>Classification</u>	<u>Current No. of Positions</u>
243 Court Traffic Systems Programmer	2.0
244 Court Traffic Senior Application Programmer	1.0
246 Court Application Programmer	1.0
248 Court Technical Writer	1.0
248 Court Technical Programmer	1.0
260 Legal Advisor	1.5
270 Assistant Division Chief	6.0
273 Assistant System Coordinator	1.0
275 Assistant Fiscal Officer	1.0
278 Assistant Court Program Analyst Manager	0.5
280 Deputy Clerk	34.0
285 Executive Secretary	1.0
287 Administrative Secretary	1.0
289 Personnel and Payroll Clerk	1.0
290 Deputy Clerk	22.0
293 Interpreter Coordinator	1.0
297 Deputy Clerk	1.0
320 Deputy Clerk	27.0
330 Deputy Clerk	65.0
342 Information Clerk Supervisor	1.0
340 Information Clerk	2.0
360 Deputy Clerk	3.0
350 Court Reporter (benefits only)	<u>20.0</u>
Total	195.0

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The proposed salary schedule for the covered employees is contained in the ordinance as Appendix 1. The major fiscal provisions of the proposed ordinance are as follow:

Wage Increases

Effective July 1, 1996, all covered employees except for the classification No. 350 Court Reporters would receive a 2 percent wage increase. Effective January 1, 1997 these employees would receive an additional 1.5 percent wage increase. The Court Reporters would not receive a wage increase because their salaries, under California Government Code Section 70050.5, are tied those of Court Reporters in the County of Los Angeles, who are not expected to receive a pay increase for Fiscal Year 1996-97.

Longevity Increase

Effective July 1, 1996, under a new provision, employees who have completed 10 years of service with the Municipal Court would receive an additional \$0.30 per hour increase.

Health Plan

The City would continue to pay \$80.81 bi-weekly for each covered employee for health benefits.

Dependent Health Care Pick-up

Effective July 1, 1996, the City would pick up \$225 of the employees' monthly payments for dependent health care. Currently, the City picks up \$150 of the employees' monthly payments for dependent health care.

Dental Benefits

The City would continue to pay \$34.09 bi-weekly for each covered employee for dental benefits.

Fingerprinting

The City would continue to pay the full cost of fingerprinting employees. The current cost of fingerprinting is \$32 per employee.

Retirement Pick-up

Effective July 13, 1996, the City would pick up the full cost of the employee's share of retirement costs. Currently, the City picks up 5.5 percent of these costs. City employee's formally contributed 7.5 percent to 8 percent of their wages through payroll deduction towards their retirement pensions.

Overtime

If the Deputy Clerks, work in excess of 40 hours per week these positions would continue to receive cash payments at time and one-half, unless an employee requests compensatory time off in lieu of cash payments. Compensatory time off would be earned at the rate of time and one-half. Except for the Deputy Clerks, no other positions are eligible for cash payments for overtime, but may accrue compensatory time off at the rate of time and one-half. The Court Reporters would continue to be ineligible for overtime or compensatory time off because their benefits, under California Government Code Section 70050.5, are tied to those of Court Reporters in the County of Los Angeles.

Floating Holidays

In addition to those days designated as Court holidays which include 12 days per year, all employees, except for the Court Reporters, would continue to receive five additional floating holidays to be taken on days selected by the employee subject to approval of the Court. Court Reporters are not eligible because their benefits are tied to those of Court Reporters in the County of Los Angeles, who do not receive the additional five floating holidays.

Comments

1. The increased annual costs to the City for the provisions listed above, as estimated by the Controller's Office, are outlined in the Attachment.
2. The Budget Analyst concurs with the Controller's estimates of the increased annual costs to the City. The Budget Analyst notes that the monies for these increased costs are currently on reserve in the Mayor's recommended 1996-97 budget.
3. Mr. Gordon Park-Li of the Municipal Court advises that an Amendment of the Whole to the proposed ordinance is being drafted and will be introduced at the Government Efficiency and Labor Committee Meeting on June 25, 1996. As of the writing of this report, the Amendment of the Whole had not been completed. However, Mr. Park-Li advises that the amendment will (1) benchmark the compensation and benefits of Municipal Court employees to those of similar City employee classifications (currently, Municipal Court employees are benchmarked to clerical and non-professional classifications under Service Employees International Union - SEIU) and (2) adjust the date for when the City would pick-up the full 7.5 percent of the employee's share of retirement costs from July 13, 1996 to January 1, 1997.

Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



CITY AND COUNTY OF SAN FRANCISCO

Attachment
Page 1 of 2

OFFICE OF THE CONTROLLER

Edward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

June 7, 1996

Mr. John L. Taylor, Clerk of the Board
Board of Supervisors
401 Van Ness Avenue
San Francisco, CA 94102

Re: Superior/Municipal Court Compensation and Benefits Ordinances 1996-97

Dear Mr. Taylor:

In accordance with Ordinance 92-94, I submit herewith a cost analysis of the compensation and benefit ordinances for the Superior and Municipal Courts. With the approval of the Board of Supervisors, the courts may establish compensation and benefit rates for their employees pursuant to Government Code Section 69900.

Superior Court Employees are Benchmarked to Like City Employee Groups.

The Superior Court ordinance covers about 115 employees with a salary base of approximately \$7 million. The Superior Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted other City workers performing similar duties. For example, a Superior Court management position would receive the equivalent salary and benefits increase that a Municipal Executive Association(MEA) employee is scheduled to receive.

Based our analysis, if adopted by the Board, the ordinance would result in cost increase in salary, health and retirement pick-ups of approximately \$220,000 in 1996-97 or about 3.4% of their salary base. Please refer to Attachment A which outlines the costs by category.

All Municipal Court Employees are Benchmarked to the SEIU Package.

The Municipal Court ordinance covers about 200 employees with a salary base of approximately \$9.4 million. The Municipal Court is attempting to apply a compensation and benefit package which corresponds to the pay and benefit increases granted SEIU locals in the City.

Based our analysis, if adopted by the Board, the ordinance would result in cost increases in salary, health and retirement pick-ups of approximately \$540,000 in 1996-97 or approximately 5.7% of their salary base. Please refer to Attachment B which outlines the costs by category. In addition, the ordinance contain a \$0.30 per hour longevity premium for all employees with over 10 years of services. This provision could cost the City up to an additional \$100,000 a year.

Please let me know if you have additional questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ed Harrington", written over a horizontal line.

Edward Harrington
Controller

cc: Harvey Rose, Budget Analyst

Attachment B
Municipal Court
Salary Ordinance
Fiscal Year 1996-97
Revised 6/10/96

Description	Dependent Health Pick-Up	Retirement Pick-Up	Salary Increase	Total 1996-97 Incremental Costs
MUNICIPAL COURT - MISCELLANEOUS	79,200	146,565	231,756	457,521
MUNICIPAL COURT - COURT REPORTERS	9,000	24,672	0	33,672
TOTAL	88,200	171,237	231,756	491,193

Average % increase of Salary Base: 5.74%

Items 4 and 5 - File 65-96-8 and File 65-96-8.1

Department: Chief Administrative Officer

Item: Item 4 - File 65-96-8 Resolution reaffirming adoption of findings and statement of overriding consideration pursuant to the California Environmental Quality Act (CEQA) for the Yerba Buena Gardens Redevelopment Agency/City Rooftop Surface Lease.

Item 5 - File 65-96-8.1 Ordinance providing for the approval, execution and delivery of the Agency Rooftop Surface Lease, between the City and County of San Francisco and the San Francisco Redevelopment Agency (SFRA), for a portion of the Central Block Three of the Yerba Buena Gardens; providing for the approval, execution and delivery of the Coordination Agreement between the City and the Agency regarding the operation and use of Central Block Three; providing for the approval, execution and delivery of the amendment to the 1988 Reciprocal Easement Agreement, dated March 1, 1988 between the City and the SFRA affecting Central Block Three; providing for the execution of any additional documents in connection therewith; and ratifying previous actions taken in connection therewith.

Location: Rooftop of the Moscone Convention Center South, located in Central Block Three of the Yerba Buena Redevelopment Project Area, bounded by Howard, Folsom, Third, and Fourth Streets.

Purpose of Lease: Development of a Children's Center and other public facilities by the San Francisco Redevelopment Agency.

Lessor: City and County of San Francisco

Lessee: San Francisco Redevelopment Agency

Lease Cost: \$1, one-time only, payable by SFRA to the City

Term of Lease: A period of 50 years, beginning on the date on which all required governmental approvals for execution of the lease and its related documents are obtained.

**Utilities and Janitor
Provided by Lessor:** No

Right of Renewal: Negotiable

BOARD OF SUPERVISORS
BUDGET ANALYST

Description:

Item 4 - File 65-96-8 is a resolution reaffirming the Board of Supervisors previous approval of the Yerba Buena Center Final Subsequent Environmental Impact Report and Addenda (YBC FEIR) (File 91-94-1.1), and finding that the development proposed in the Agency Rooftop Surface Lease (described below) will cause no new significant environmental impacts requiring preparation of a Supplement to the YBC FEIR. This reaffirmation is necessary in order to confirm that this specific item, the Rooftop Surface Lease, is consistent with and in furtherance of the general Yerba Buena project which is analyzed in the YBC FEIR. The proposed resolution also incorporates, by reference, the findings and environmental mitigations which have been placed on the Yerba Buena Redevelopment Plan in the YBC FEIR. These findings and mitigations require that the development proposed in the Rooftop Surface Lease comply with the City's environmental and emergency planning laws and programs addressing such issues as hazardous waste disposal, earthquake safety, noise, and transportation. Finally, the proposed resolution reaffirms the YBC FEIR's Statement of Overriding Consideration for the Yerba Buena Project, as required under the State California Environmental Quality Act (CEQA), certifying that the Board of Supervisors considers that the benefits of the development proposed under the Agency Rooftop Surface Lease outweigh the unavoidable environmental impacts of the development.

Item 5 - File 65-96-8.1 is an ordinance providing for the approval and execution of the Agency Rooftop Surface Lease, a Reciprocal Easement Agreement related to the Lease, and a Coordination Agreement related to the Lease, between the City and the SFRA. The primary terms of the Lease and the related documents are summarized as follows:

- The SFRA will lease from the City the undeveloped portion of Central Block Three of the Yerba Buena area (the Moscone Convention Center South Rooftop) for an annual rent of \$1. The lease will be for a term of 50 years, with extensions negotiable after the 50 year period.
- The SFRA will develop on the rooftop only those uses which are specified in the lease, and will develop such uses according to plans approved by the City. The uses which are planned for the area and specified in the lease include;
 - a) Children's Center for classes, performances and exhibits
 - b) child care center
 - c) gardens and landscaping

BOARD OF SUPERVISORS
BUDGET ANALYST

- d) ice skating facility
- e) bowling center
- f) historical carousel
- g) public facilities such as restrooms, telephones, and benches
- h) signs and directional indicators
- i) any other compatible use which has been expressly approved, in writing, by the City.

The Attachment, provided by the SFRA, gives an overview of the Children's Center and details regarding the specific facilities to be constructed as part of the Children's Center, listing the uses and square footage of the facilities.

- The SFRA has the right to sub-lease all or any portion of the rooftop. Any such sub-lease is also bound by all terms and conditions of the Agency Rooftop Surface Lease, the Reciprocal Easement Agreement, and the Coordination Agreement, which specify that only those uses approved by the City may be developed on the rooftop.
- The City retains the right to protect the structure and use of the Moscone Convention Center which underlies the rooftop, including the right to halt construction under certain circumstances to protect the uses of the Convention Center.
- The Reciprocal Easement Agreement grants specific easements from the City to the SFRA in connection with the SFRA's proposed facilities on the rooftop to provide for certain structures, connections, bridges, access stairways, pedestrian and emergency access, service and emergency vehicle access, landscaping, utilities, security, operations and maintenance and construction and repairs, as shown on the site plan. In return, specific easements are granted by the SFRA to the City in connection with the Moscone Convention Center for such matters as emergency access to the rooftop, and minor encroachments for vents, ducts, etc., on the rooftop.
- The Reciprocal Easement Agreement also provides for standards and procedures agreed to by the City and the SFRA for maintenance, construction, repairs and restoration. In addition, the Reciprocal Easement Agreement provides standards and procedures for such issues such as liability, indemnification, remedies in the event of a default under the Reciprocal Easement Agreement, and non-interference with the respective projects of the two parties to the Agreement.
- The Coordination Agreement is intended to augment the Lease and the Reciprocal Easement Agreement, and deals

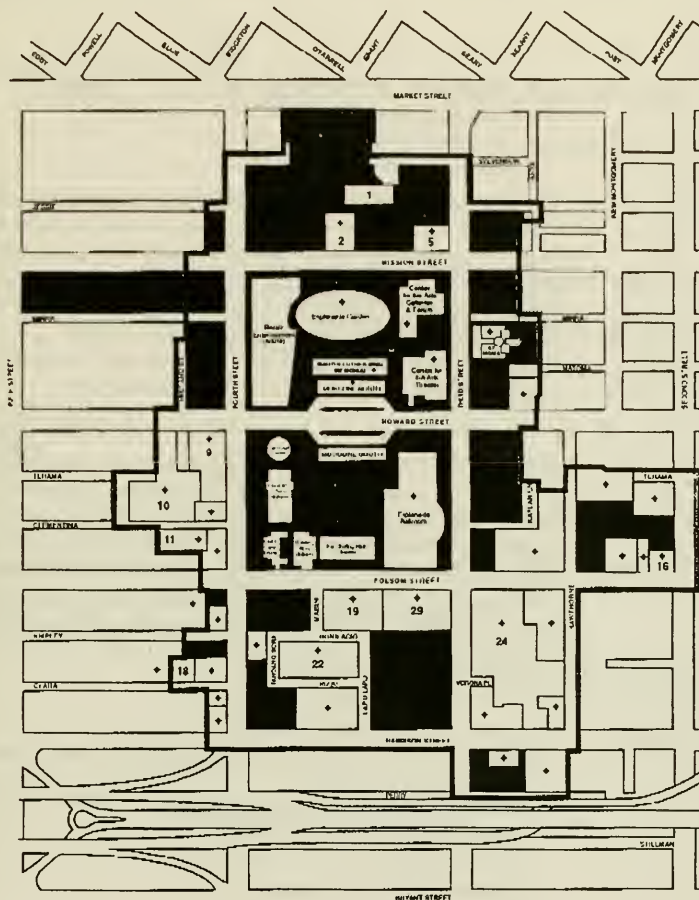
with standards and procedures for day-to-day coordination between the City and the SFRA during the period of construction and post-construction of the rooftop facilities, as well as matters related to on-going maintenance and other on-going activities. For example, the Coordination Agreement sets out procedures whereby the City and the SFRA will reach agreement regarding construction noise and periods of electric power shutoff required for construction purposes, so that these events do not conflict with activities scheduled at the Moscone Convention Center.

Comments:

1. Construction of the Children's Center as part of the Yerba Buena Redevelopment Project was previously approved by the Board of Supervisors as part of its approvals of the Yerba Buena Redevelopment Plan and Amendments (File 91-94-1). Funds for the construction of the Children's Center are being provided from Redevelopment Agency bonds secured by Hotel Tax revenues, which were approved by the Board of Supervisors and issued for this purpose in May 1994 (File 170-94-7). The approximate cost of the Children's Center facilities is \$56 million. Construction of the Children's Center began in late May 1996.

2. In addition to the one-time only rent payment of \$1 from the SFRA to the City noted above, the lease also requires that the SFRA, and/or its sub-tenants, pay to the City any fees, assessments, and Possessory Interest Taxes which would normally be levied by the City for the facilities to be constructed on the rooftop. According to Ms. Helen Sause of the Redevelopment Agency, there is no specific estimate available at this time of the amount of fee and tax revenue to the City that may be generated by Rooftop tenants.

- Recommendation:**
1. Item 4 - File 65-96-8 Approval of the proposed resolution is a policy matter for the Board of Supervisors.
 2. Item 5 - File 65-96-8.1 Approval of the proposed ordinance is a policy matter for the Board of Supervisors.



- [White Box] NEW HOUSING
 [Black Box] NEW DEVELOPMENT
 [Dark Gray Box] MIXED-USE DEVELOPMENT
 [Light Gray Box] REHABILITATION
 [Diamond Symbol] DEVELOPMENT COMPLETED

1. Jessie Street Substation - Jewish Museum Site
2. St. Patrick's Church
3. Mexican Museum Site
4. ANA Hotel
5. Mercantile Building
6. Downtown Community College
7. 5th & Mission Street - Yerba Buena Gardens Garage
8. Yerba Buena West Building
9. Woolf House
10. Clevenatia Towers
11. Costrico Polita Housing
12. Convention Plaza Building
13. Moscone Parking Garage
14. Pacific Bell
15. Hawthorne Plaza
16. Planters Hotel
17. Fourth Street Associates
18. Silvercrest Residence
19. Mandelishin House
20. Museum Parc
21. Supermarket/Housing Site
22. Dimasalang House
23. Harrison Street Associates
24. St. Francis Place
25. Yerba Buena Commons - SRO Housing Site

YERBA BUENA CENTER

SAN FRANCISCO REDEVELOPMENT AGENCY





THE CHILDREN'S CENTER AT YERBA BUENA GARDENS FACT SHEET

BACKGROUND

The Children's Center at Yerba Buena Gardens represents the efforts of the San Francisco Redevelopment Agency to create an entire city block – an urban destination – devoted to youth. The Center, when complete, will be notable as one of the few civic sites in the nation dedicated to children and youth. Located in a garden setting on an extraordinary downtown site, and surrounded by cultural, entertainment and family venues, the Center will offer recreational and creative activities for children from toddlers through teens.

AREA

The site of the Children's Center sits atop the Moscone Convention Center, on the western portion of the block bounded by Howard, Folsom, Third and Fourth streets. The Children's Center is part of the San Francisco Redevelopment Agency's 22-acre Yerba Buena Gardens mixed-use development, which includes the San Francisco Museum of Modern Art, the Center for the Arts, the Esplanade and Martin Luther King, Jr. Memorial, the ANA and Marriott hotels, and the centerpiece Moscone Convention Center.

MAJOR ELEMENTS

▽ Studio for Technology & the Arts

- 34,000-square-foot facility where the creative arts merge with technological innovation
- Workshops for Visual and Performing Arts
- Multimedia Lab
- Exhibition Gallery
- Children's Theater (220 seats)
- Distance Learning and Internet Center
- Retail Space (1,000 square feet)

▽ Children's Garden & Carousel

- 130,000 square feet of outdoor space with an emphasis on discovery, nature and play
- Carousel from Playland at the Beach
- Learning Garden
- Play Stream and Fountain
- Labyrinth
- Interactive play features
- Robotic sculpture

- more -

MAJOR ELEMENTS

▽ **Ice Skating Rink and Bowling Center**

- 32,000-square-foot Ice Skating Rink
- NHL-regulation-size surface for team play and practice, figure skaters and recreational skating
- 12-lane Bowling Center

▽ **Child Care Center**

- 10,000-square-foot facility designed specifically for the needs of infants, toddlers and pre-schoolers
- 90 child care slots for SOMA residents, businesses and employees within the Yerba Buena Gardens area

**ARCHITECTURE &
DESIGN**

Adele Naudé Santos and Associates

architecture and urban design

LDA Architects

architecture, space planning, interior design and art consulting

M. Paul Friedberg & Partners

landscape architecture, urban design and planning

Lawrence Andrews

video and installation artist

Douglas Hollis

artist, natural phenomena and responsive environmental structures

Chico MacMurtrie

artist, mechanical creations

CONSTRUCTION

Swinerton & Walberg, General Contractor

Groundbreaking: May 21, 1996

Opening: May 1998

COSTS

The Children's Center at Yerba Buena Gardens is a \$56 million dollar project of the Redevelopment Agency of San Francisco. Project financing is provided by Agency bonds repaid by hotel tax revenues.

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Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

Item 6 - File 65-96-9

Departments: Fire Department
Real Estate Department

Item: Ordinance authoring and approving a new lease of cellular transmitter space in the Fire Department Headquarters, located at 260 Golden Gate Avenue.

Location: Fire Department Headquarters, located at 260 Golden Gate Avenue.

Purpose of Lease: To allow Bay Area Cellular Telephone Company (BACTC) to install cell sites. A cell site is a location in which radio and telephone equipment is installed and used to send and receive radio signals to and from cellular telephones and to connect those signals to telephone facilities either directly by means of cables or indirectly by means of radio wave transmitting facilities, including antennas located at the cell site.

Lessor: City

Lessee: Bay Area Cellular Telephone Company (BACTC)

No. of Square Ft. and Cost Per Month: The cell site would occupy approximately 170 square feet of space in a vacant utility space on the fourth floor of the headquarters' facility at 260 Golden Gate Avenue. The BACTC would be charged a rate of \$1,500 or approximately \$8.82 per square foot per month for the use of the space. This rate would be subject to adjustment annually based on the Bay Area Consumer Price Index (CPI).

Annual Cost: \$18,000 annually

Term of Lease: July 1, 1996 through June 30, 2001 (five years)

Right of Renewal: Two five-year options to renew

Utilities and Janitor Provided by Lessor: Janitorial and maintenance to be provided by BACTC. The City will provide BACTC with access to all existing utility connections. BACTC would be responsible for all other electrical and utility costs, and service connections.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

Comments:

1. Mr. Larry Jacobson of the Real Estate Department advises that the rental rate of \$1,500 per month, under the proposed lease, is the fair market value of the rent for this property to be used as a cell site.
2. Mr. Jacobson advises that the proposed cell site lease represents the third cell site lease between the City and BACTC. The other two cell sites are located at the Hall of Justice (850 Bryant Street) and the City's Southeast Sewage Treatment Plant, located at 1701 Jerrold Street.

Recommendation:

Approval of the proposed cell site lease is a policy matter for the Board of Supervisors.

Item 7 - File 172-96-18

Department: Department of Public Health (DPH)
San Francisco General Hospital (SFGH)

Item: Ordinance authorizing the Director of Public Health to execute an agreement with the San Francisco Health Plan (governed by the San Francisco Health Authority) for the Department of Public Health (DPH) to provide health care services to San Francisco Health Plan Members. Initial enrollees, under the State Department of Health Services (SDHS) will be AFDC families, followed later by all Medi-Cal Subscribers. The agreement includes binding arbitration and indemnification clauses that indemnify the San Francisco Health Plan from any claim or liability arising from wrongful acts of the City, its agents and employees. The agreement also provides for binding arbitration clauses that require all disputes arising under the contract to be resolved through binding arbitration.

Description:

1. The San Francisco Health Authority (Authority) was created by a November, 1994 amendment to the Administrative Code to establish the Authority as a public entity, distinct from the City and County of San Francisco, to operate an HMO as the local initiative component of the State "two plan model" for provision of managed care health services to Medi-Cal eligible persons. The two plan model also calls for a "mainstream" private provider to give Medi-Cal recipients a choice of health plans. The DPH will also be under contract with Blue Cross of California, the State Department of Health Services (SDHS) selected mainstream health plan. The contract between DPH and Blue Cross for provision of health services is pending final approval by the Board of Supervisors (File 172-96-16).
2. The San Francisco Health Plan will contract with local hospitals and health care providers for direct services to Medi-Cal recipients who must subscribe to either the Local Initiative Plan or the Mainstream Plan for health care services under managed care as required by the SDHS. The proposed agreement between DPH and the Health Plan to provide health care services under the local initiative plan component would establish the DPH as a contract health care service provider eligible for receipt of primary care physician referrals for delivery of inpatient and outpatient services to Medi-Cal recipients.
3. The other local hospitals and health care providers already under contract or intend to contract with the San Francisco Health Plan for provision of such services are: St. Luke's Hospital, Moffitt Hospital, Mt. Zion Hospital, California Pacific Medical Center, Chinese Hospital, St. Mary's Hospital and St. Francis Hospital.

4. DPH and SFGH have urged approval of this proposed agreement so that SFGH can preserve its Medi-Cal eligible client base and thus continue to maintain Medi-Cal patient revenues under managed care. SFGH would be reimbursed for inpatient and emergency services under this agreement on a "capitated basis", meaning a single monthly payment per Medi-Cal recipient. These rates are not disclosed in the agreement. Under the City's "Sunshine" Ordinance, the Director of Public Health "may withhold from disclosure proposed and final rates of payment for managed health care contracts if the Director determines that public disclosure would adversely affect the ability of the City to engage in effective negotiations for managed health care contracts. The authorization to withhold this information applies only to contracts pursuant to which the City (through the Department of Public Health) either pays for health care services or receives compensation for providing such services, including mental health and substance abuse services, to covered beneficiaries through a pre-arranged rate of payment." (City and County of San Francisco Administrative Code Section 67.2.4(e) 2)

5. The proposed agreement stipulates that any disputes between the Health Plan and the Department of Public Health, which exceed the jurisdiction of small claims court, would be settled using binding arbitration. Binding Arbitration as a sole dispute resolution method had never been approved in a City Contract, other than for labor memorandums of understanding, prior to approval of the managed care contract between the DPH and Blue Cross. According to the Department of Public Health, the use of binding arbitration for dispute resolution is a standard practice under managed care contracts.

Comments:

1. According to the Department of Public Health, the Board of Supervisors will be asked to approve an additional agreement in order to position the DPH and the SFGH for the delivery of services to Medi-Cal recipients under State mandated managed care plans. This agreement will be a sub-contract with the UCSF Clinical Practice Group (the professional association for UCSF Physicians who work under contract with the SFGH) for provision of physician services under the managed care contracts.

2. At this time, it appears that the Blue Cross managed care program will begin operations prior to the Local Initiative program, on July 1, 1996. Therefore, the Director of Public Health is requesting that the SDHS not authorize plan enrollment to begin until both components (i.e., the mainstream plan and the Local Initiative) are ready to begin operations. The San Francisco Health Plan has just submitted its application for licensure to the SDHS,

and would be approved and ready to accept enrollment no sooner than the end of July, 1996.

3. The first phase of managed care for Medi-Cal recipients will be for AFDC participants only. However, the requirements for managed care will be expanded to all Medi-Cal recipients by the State in the future.

4. The DPH is unable to provide a precise fiscal impact estimate for the proposed agreement at this time. However, as mentioned above, the DPH hopes to preserve its current Medi-Cal revenue base. According to Mr. Richard Cordova, Executive Administrator of SFGH, SFGH would very likely lose a portion of its current Medi-Cal clientele if it did not agree to accept patients and provide health services to San Francisco Health Plan Medi-Cal enrollees as provided under this proposed ordinance. In addition to the potential loss of Medi-Cal revenue, the SFGH would also lose disproportionate share revenue (i.e., net SB 855 and SB 1255) if the number of its Medi-Cal clients were to decrease. Of SFGH's total revenues of \$266.5 million in the proposed 1996-97 budget, approximately \$75 million are from Medi-Cal and disproportionate share sources, after deducting for matching City funds that are applied to leverage SB 855 payments. Based on the AFDC clients who utilize SFGH inpatient and outpatient services, the DPH estimates that as much as \$16 million in hospital fund revenues are at risk because of the change to managed care programs to be operated by the San Francisco Health Plan and Blue Cross of California.

Recommendation: Approve the proposed ordinance.

Item 8 - File 172-96-19

Department: Department of Public Health

Item: Ordinance authorizing the Director of Public Health to execute an agreement with the California Department of Corrections for the Department of Public Health to provide services to inmates at the Elizabeth Frye Center. This agreement includes binding arbitration and indemnification clauses that (1) indemnify the State and the California Department of Corrections against any claim or liability arising from wrongful acts of the City, its agents and employees, and (2) requires all disputes arising under the contract, including disputes regarding utilization review, to be resolved through binding arbitration.

Description: The Department of Public Health (DPH) entered a competitive bid process and was awarded a contract to provide inpatient, outpatient and emergency health care services to inmates referred from the State of California Department of Corrections' Elizabeth Frye Center. The contract is for services provided at San Francisco General Hospital (SFGH) and/or any of the Department of Public Health's ten Health Centers in San Francisco. The term of the contract is from July 1, 1996 through June 30, 1997. The total amount payable under the terms of this contract shall not exceed \$100,000.

The State of California Department of Corrections' Elizabeth Frye Center is a 20-bed facility for female inmates of the State prison system and their children, located at 1251 Second Avenue in San Francisco. Under the terms of this proposed agreement, the DPH assumes full responsibility for the provision of inpatient, outpatient, or emergency services to any inmate/patient referred to the Department for health care services (as defined in the contract, an 'inmate/patient' is a State Department of Corrections incarcerated public offender receiving health care services). Inmate/patients will be referred to SFGH or a DPH Health Center for care by the State Department of Corrections' Chief Medical Officer or Health Care Manager. These officials are also responsible for authorizing all treatment of inmate/patients.

SFGH or the DPH Health Clinic rendering services would be reimbursed at a 'per-diem' rate, meaning a fixed rate for a day of service, for inpatient services, and on a 'per visit' basis for outpatient services based on 70 percent of all billed charges. According to Mr. Rich Cordova, Executive Administrator at SFGH, this is a 'discounted fee-for-service'

BOARD OF SUPERVISORS
BUDGET ANALYST

-- contract, and SFCH determined that this level of discount would allow the DPH to be competitive with other bidders and also recover the cost of services. Mr. Cordova reports that the discounted rates provided in this proposed agreement are highly competitive, exceed Medi-Cal reimbursement rates, and cover DPH's costs to provide services. The actual rates are not disclosed in the agreement. Under the City's "Sunshine Ordinance", the Director of Public Health may withhold from disclosure rates of payment for contracts if the Director determines that public disclosure would adversely affect the ability of the City to engage in effective negotiations for further contracts (Section 67.2.4(e)2).

Under the terms of the proposed agreement, the State Department of Corrections "is not obligated to pay for health care services or treatment beyond those which are essential to prevent death, permanent or severe disability". The DPH must receive prior authorization from the State Department of Corrections' Health Care Manager or a designated representative for all non-emergency services provided, and this authorization must be properly documented in the inmate/patient record in order for the DPH to receive reimbursement for the services provided. According to the terms of the proposed agreement, the State Department of Corrections may deny payment to the DPH if the State Department of Corrections determines that services or procedures performed were not medically necessary, were inappropriately delivered, or did not have prior written authorization. This type of review, generally referred to as 'utilization review', is consistent with industry practices.

Comments:

1. The proposed agreement stipulates that disputes arising from any alleged violation of a legal duty described in the contract shall be settled using binding arbitration. Binding arbitration as a sole dispute resolution method had never been approved in a City Contract, other than for labor memorandums of understanding, prior to approval of the managed care agreement between the DPH and Blue Cross. According to the Department of Public Health, the use of binding arbitration for dispute resolution is a standard practice under managed care contracts and fee-for-service contracts in which utilization review is conducted.
2. According to Mr. Cordova, it is anticipated that the majority of services provided under this agreement will be for primary and perinatal care. Due to the location of the Elizabeth Frye Center and its proximity to the DPH Ocean Park Health Center (formerly Health Center #5), it is

anticipated that most of the services provided under this proposed agreement would be provided at that location, although all of the DPH Health Centers are included under the contract and may receive referrals from the State Department of Corrections for the care of these individuals. Inmate/patients would be referred to San Francisco General Hospital for emergency, inpatient and specialty care.

3. Mr. Cordova advises that this proposed agreement should be relatively small in terms of patient volume, since the Elizabeth Frye Center is only a 20-bed facility. However, the Department believes that this proposed agreement with the State Department of Corrections is consistent with the DPH's efforts to diversify its payor mix and further solidify the Department's network of community Health Clinics. The Department believes this proposed agreement will result in some additional patient revenues for the Department, most of which will be offset by the costs of providing care to these individuals. As previously noted, the reimbursement from the State Department of Corrections, based on the proposed agreement, will be adequate to cover costs. However, the DPH is unable to provide a more precise fiscal impact estimate for the proposed agreement at this time.

Recommendation: Approve the proposed ordinance.

Item 9 - File 25-96-11

Department: Department of Public Health (DPH)

Item: Resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the Department of Public Health by a private contractor for a lower cost than similar work services performed by City and County employees.

Services to be Performed: Procurement and distribution of supplies to the San Francisco General Hospital (SFGH), Laguna Honda Hospital, and other DPH programs.

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

Currently, the DPH purchases supplies from several vendors. DPH staff stores and distributes the supplies to the various health facilities. The proposed resolution would approve contracting with a "prime vendor," to consolidate the various pharmaceutical and medical supplies vendors currently providing such supplies to the DPH to one single prime vendor, who would provide materials management services that are currently provided by DPH materials management personnel.

The Controller has determined that contracting for procurement and distribution of supplies for the DPH for Fiscal Year 1996-97 will result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Personnel	\$595,211	\$704,225
Fringe Benefits	172,228	191,022
Materials and Supplies	<u>7,983,530</u>	<u>7,983,530</u>
Total	\$8,750,969	\$8,878,777
<u>Estimated Contract Service Cost</u>	<u>8,544,290</u>	<u>8,544,290</u>
<u>Estimated Savings</u>	\$206,679	\$334,487

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BUDGET ANALYST

Comments:

1. This would be the first time that the DPH has contracted for such prime vendor services under Proposition J.

2. The estimated contract service cost is based on a bid solicited by the DPH. Ms. Sarah Ecker of the DPH reports that the Department obtained competitive bids from four pre-qualified firms. Ms. Ecker advises that the four firms were prequalified based on (a) specific service requirements, (b) requirements established by the City's Human Rights Commission (HRC), and (c) software interface requirements. The DPH selected the firm of Baxter Health Care Corporation for an amount of \$8,544,290, as the lowest of the four bidders. Baxter Health Care Corporation is not an MBE/WBE firm.

3. Approval of the proposed resolution would result in the elimination of 16.5 positions in the DPH. Ms. Ecker states that all of the 16.5 positions are currently filled. Ms. Ecker advises that the 16.5 employees will all be offered the opportunity to be retrained through a program administered by the Service Employees International Union (SEIU). Ms. Ecker advises that the SEIU received a \$500,000 grant from the Federal Department of Labor for retraining purposes. According to Ms. Ecker, upon the successful completion of the retraining program, the employees will be relocated within the Department into jobs for which they would then qualify.

4. Mr. Dale Butler of the SEIU advises that the SEIU supports the Prime Vendor consolidation plan, under the condition that the 16.5 employees are (1) provided the opportunity for retraining in the SEIU's retraining program, and (2) placed into alternative jobs at comparable pay within the DPH, upon the successful completion of the training program.

5. The Department has requested that this item be continued to the call of the Chair.

Recommendation: Continue this item to the call of the Chair, as requested by the DPH.

Item 10- File 47-96-4

- Department:** Real Estate
Parking Authority
San Francisco General Hospital
- Item:** Resolution approving amendments of the Management Agreement for the operation of the San Francisco General Hospital Medical Center Parking System.
- Description:** In January of 1996, the Board of Supervisors approved legislation that established the San Francisco General Hospital (SFGH) Medical Center Parking System, including 21 parking lots located on the SFGH campus, one Paramedic Parking Lot, located near the campus, street parking located within the property lines of the SFGH campus, and the newly constructed SFGH parking garage (File 199-96-1). In addition, the subject legislation (1) authorized the transfer of jurisdiction and control of the 21 campus parking lots and the one Paramedic Parking Lot to the Parking Authority, (2) authorized the Parking Authority to seek bids from professional parking operators for the management of the SFGH Medical Center Parking System's 22 parking lots, and the new SFGH parking garage, and (3) approved the form of bid documents, including the form of the Management Agreement for the operation of the SFGH Medical Center Parking System.
- The purpose of the proposed resolution is to approve amendments to the Management Agreement between the Parking Authority and Manager of the operations of the SFGH Medical Center Parking System. The proposed Management Agreement would be amended as follows:
- 1) The effective date of the SFGH Medical Center Parking System Management Agreement would be amended from June 1, 1996 to July 1, 1996.
 - 2) The Management Agreement would be amended to provide that Parking Lots B and C, located on the SFGH campus, would be monitored by parking attendants. In the original Management Agreement, Parking Lots B and C were designated as metered and permit parking lots.
 - 3) The original Management Agreement required the Manager (private contractor managing the SFGH Medical Center Parking System) to provide the Parking Authority with a list of specific capital improvements that the Manager would be responsible for completing during the term of the

Management Agreement. All expenses resulting from the capital improvements would be reimbursed to the Manager by the Parking Authority, as stated in the Management Agreement. Mr. Gerald Romani of the Real Estate Department advises that this type of provision is standard language in Management Agreements. However, Mr. Romani advises, since the SFGH parking garage is new, there is currently no need for any capital improvements. Therefore, under the proposed amendment, the Manager would not be required to submit a list of specific capital improvements. Instead, the Parking Manager would only be required to complete capital improvements, if these capital improvements are requested by the Director of the Parking Authority. As noted above, all expenses resulting from the capital improvements would be reimbursed to the Manager by the Parking Authority.

4) The original Management Agreement states that the Manager would be responsible to pay any Possessory Interest Taxes levied as the result of the implementation of the subject Management Agreement. According to Mr. Ron Szeto of the Parking Authority, Managers typically include the amount of estimated Possessory Interest Taxes as part of their operating expenses. Therefore, the Parking Authority pays for the Possessory Interest Taxes indirectly as part of the monthly rate paid by the Parking Authority to the Manager. This payment represents a transfer of monies from the Parking Revenue Fund to the General Fund. However, Mr. Szeto advises, at the time the Parking Authority requested bids for the subject Management Agreement, the Parking Authority was unable to estimate the amount of Possessory Interest Taxes which could be levied as a result of the Management Agreement and therefore advised the firms bidding for the subject Management Agreement not to include an estimated amount for Possessory Interest Taxes in their bid proposals.

Mr. Szeto advises that the Parking Authority believes that, in this case, it is more prudent for the Parking Authority to pay for Possessory Interest Taxes directly than to risk agreeing to inflated operating costs, as the result of overestimated Possessory Interest Taxes included in bid proposals. Mr. Szeto advises that the Parking Authority would only pay the Possessory Interest Taxes directly during the initial two-year term of the subject Management Agreement (July 1, 1996 through June 30, 1998). After the initial term, the payment of Possessory Interest Taxes would become the responsibility of the Manager, Mr. Szeto advises,

and would therefore be included in any future bid proposals for management of the SFGH parking garage.

5) The Management Agreement would be amended so that all SFGH parking garage and campus monthly users would be provided with color-coded hang tag permits. The original Management Agreement did not include a method to identify permit holders.

Summary

In summary, the proposed Management Agreement includes the following amendments: (1) the effective date of the Management Agreement would be changed from June 1, 1996 to July 1, 1996, (2) parking lots B and C would be classified as attendant monitored parking lots, (3) the Manager of the operations of the SFGH Medical Center Parking System would only be required to acquire, construct and complete specific capital improvements if these improvements are requested by the Director of the Parking Authority, and the Parking Authority would reimburse the Manager for all expenses resulting from the capital improvements, (4) the Parking Authority would pay for Possessory Interest Taxes directly instead of indirectly, and (5) monthly parking garage, and parking lot users would be issued hanging color-coded permits to identify that they have paid to use these parking areas.

Comments:

1. The Attachment provided by Mr. Szeto shows the total number of parking spaces in the SFGH Medical Center Parking System, and the total parking revenues for these spaces. In addition, the Attachment provides the estimated annual parking revenues and Parking Tax revenues for the City, less operating expenses, and annual debt service.

2. According to Mr. Gerald Romani of the Real Estate Department, in April of 1996, the Real Estate Department selected the joint venture firm of Five Star Parking/Universal Parking Resources (FSP/UPS) to manage the SFGH Medical Center Parking System's 22 parking lots and the SFGH parking garage. Mr. Romani advises that the Real Estate Department Selected Five Star Parking/Universal Parking Resources, as the lowest, responsive and responsible bid for a monthly management fee of \$40,618, or \$487,416 annually. Universal Parking Resources is an MBE/LBE firm. Mr. Romani advises that if the proposed resolution is approved by the Board of Supervisors, the term of the Management Agreement would be from July 1, 1996 through June 30, 1998, (two years). The initial term of the Management Agreement may be extended on a year-to-year basis twice, by

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June 25, 1996 Government Efficiency and Labor Committee Meeting

mutual agreement between the Director of the Parking
Authority, and the Manager.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

**SAN FRANCISCO GENERAL HOSPITAL PARKING SYSTEM
ANNUAL
REVENUE AND OPERATING EXPENSE
PROJECTION**

	Number of Annual Parkers	Revenues (In Dollars)
<u>Parking Revenues</u>		
Transient Parkers	166,920	324,000
Monthly Permit Parkers	26,136	1,075,920
Other (Car Pool Permit)	420	14,700
Sub-Total		1,414,620
Less Parking Tax (25%)		(282,924)
Net Parking Revenue		1,131,696
<u>Operating Expenses</u>		(488,000)
<u>Operating Income</u>		643,696
<u>Net Service (94.23%)</u>		2,033,305
<u>Profit/(loss) Subsidy</u>		(1,389,609)

General Fund Contributions to Subsidy	400,000
Parking Revenue Fund Contributions to Subsidy	989,609

Notes:

Rate & Rates	Location(s)	Number of Parkers (Annual)	Revenues
Transient			
\$5.00 per hour	Campus/Garage	166,920	\$324,000
Monthly			
Rates			
\$65.00	Campus/Street Perimeter	6,648	\$432,120
\$35.00	Garage (Day/Swing)	15,660	\$548,100
\$25.00	Garage (Night/Weekend)	3,828	\$95,700
\$35.00	Street Perimeter (Car pool)	420	\$14,700
Total			\$1,414,620

Item 11 - File 47-96-6

Department: Real Estate Department
Parking Authority

Item: Resolution approving from of the Performing Arts Garage Management Agreement and bid documents, and authorizing the Parking Authority to request bids for management of the Performing Arts Garage using the approved bid documents.

Description: The Performing Arts Garage is a City-owned parking facility of 612 spaces, located at 360 Grove Street between Gough and Franklin Streets. Currently, the Garage is managed by Five Star Parking, under a month-to-month holdover provision of a lease which expired on September 30, 1993 (See Comment No. 1). The Real Estate Department and the Parking Authority are now preparing to competitively bid the Performing Arts Garage contract as a Management Agreement. The proposed resolution would; (a) approve the form of the Performing Arts Garage Management Agreement and the related necessary documents, (b) authorize the Parking Authority to request bids, and (c) authorize the Director of the Parking Authority to make certain modifications, changes or additions to the Bid Documents, which the Director of the Parking Authority may deem necessary or advisable upon consultation with legal counsel (See Comment No. 2).

The term of the proposed Management Agreement would be five years. Under the provisions of the proposed Management Agreement, the City reserves the right to determine the parking rates and the specific terms and conditions for operating the Performing Arts Garage. The parking rates charged at the Performing Arts Garage are subject to approval by the Board of Supervisors.

Based on the proposed Management Agreement, the future Garage Manager would deposit all of the receipts from the Garage with the City, allowing the City to use these monies upfront. The City would pay the Garage Manager a specified monthly management fee. The management fee, which is subject to a pending competitive bid process, would include both the routine operating and maintenance expenses of the Garage, and the operator's profit. Therefore, companies bidding on this Management Agreement must base their bid to accommodate both their costs to operate the garage, and their profit. The proposed Management Agreement would also provide that the City would be responsible for specified,

non-routine maintenance costs at the Garage, which would be paid directly by the City.

Comments:

1. Mr. Ron Szeto of the Parking Authority advises that the Parking Authority issued a request for bids for the management of the Performing Arts Garage when the current lease expired in 1993. However, Mr. Szeto advises, there were problems during the bid approval process, so a contractor was never selected. Subsequently, the Parking Authority decided to issue a new Request for Bids, which is the subject of the proposed resolution. The Attached letter from the Parking Authority explains in more detail why the Performing Arts Garage has been operated under a month-to-month lease since October 1, 1993.

2. Mr. Victor Castillo, Deputy City Attorney, advises that the inclusion of the provision to make certain modifications, changes or additions to the Bid Documents without further approval from the Board of Supervisors is standard language included in Management Agreements. However, Mr. Castillo advises that the Parking Authority would be required to consult with the City Attorney to ensure that any proposed modifications, changes or additions are legal before any such modifications, changes or additions could be implemented. In any case, Mr. Castillo advises that the subject provision only applies to the period of time between approval by the Board of Supervisors of the subject legislation, and such time as the bid documents are signed by the Director of the Parking Authority and the firm selected to be the Manager of the Performing Arts Garage. After the bid documents are signed, any proposed modifications, changes or additions would be subject to approval by the Board of Supervisors.

In the professional judgment of the Budget Analyst, the subject provision should be amended to state that the Parking Authority may not implement any modifications, changes, or additions to the bid documents which affect the terms of the bid proposal submitted by the Manager selected to operate the Performing Arts Garage, or that affect the length of the term of the Management Agreement.

3. As noted above, the Performance Arts Garage is currently operated by Five Star Parking on a month-to-month basis under a hold-over provision in the lease agreement. Under the provisions of the current lease, Five Star Parking receives 27.82 percent of gross revenues generated by the Garage after taxes have been deducted, and the City receives the remaining 72.18 percent of gross revenues, plus Parking Tax revenues. Five Star Parking is responsible for operating and

maintenance costs, with the exception of specific non-routine maintenance costs which are the responsibility of the City, including the maintenance of trees near the Garage. According to Mr. Szeto, in FY 1995-96, the Performing Arts Garage generated total receipts of \$1,028,773 including \$824,191 in parking revenues and \$204,582 in Parking Taxes, resulting in net parking revenues of \$229,290 paid to Five Star Parking. The City received parking revenues of \$594,901, plus Parking Taxes of \$204,582, for a total amount of \$799,483

- Recommendations:**
1. Amend the proposed resolution to require that any modifications, changes, or additions to the bid documents, which affect the terms of the bid proposal submitted by the Manager selected to operate the Performing Arts Garage, or that affect the length of the term of the Management Agreement, must be subject to approval of the Board of Supervisors.
 2. Approve the proposed resolution as amended.



CITY AND COUNTY OF SAN FRANCISCO

25 VAN NESS AVENUE, SUITE 410
CITY AND COUNTY OF SAN FRANCISCO, CALIFORNIA 94102
554-PARK

WILLIE LEWIS BROWN, JR., MAYOR
JOHN E. NEWLIN, EXECUTIVE DIRECTOR

June 21, 1996

MEMORANDUM

To: Harvey Rose
Budget Analyst

From: Kevin M. Hagerty
Director
Parking Authority

re Performing Arts Garage Management Agreement

I am responding to your request for an explanation as to why there was a delay in the competitive bidding of the Performing Arts Garage Management Agreement.

Five Star Parking, the current tenant of this facility, had its original lease expire on September 30, 1993. We have allowed them to continue operating the garage on a month to month arrangement.

It was the Parking Authority Commission's intent to competitively bid the Performing Arts Garage management contract in a timely fashion which would permit the new agreement to start once Five Star Parking's agreement had expired. A number of circumstances were responsible for delaying this selection. These included:

1. The process required to reach an initial determination that the Garage contract could be set aside for a disadvantaged business.
2. A legal concern of the then Supervisor Terence Hallinan regarding labor which resulted in the item being taken off the Board of Supervisors calendar until such time as the City Attorney's Office could provide advice and counsel to Supervisor Hallinan on this issue.
3. The determination by the Human Rights Commission that justification no longer existed for the contract to be set aside for a

Attachment
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Harvey Rose
June 21, 1996
Page 2

disadvantaged business. While the City Attorney was reviewing the Garage's labor issue, the Parking Authority bid out and awarded three contracts to minority firms.

4. The Department of Parking and Traffic's compliance with the Civil Grand Jury's recommendation to establish new provisions in City garages management contracts.
5. The urgency of preparing both the Lombard Street Garage and the San Francisco General Hospital Parking System contracts prior to that of the Performing Arts Garage.

All of these factors contributed to the delay in the preparation and obtaining of necessary approvals of the competitive bid documents of the Performing Arts Garage.

harvey.peg

Item 12 - File 64-96-6

Department: Real Estate Department
Department of Public Health (DPH)-Division of
Mental Health Substance Abuse and Forensics
(DMSF)

Item: Resolution authorizing extension and renewal of nine
existing leases of real property leased by the
Department of Public Health.

Description: Each of the proposed leases is summarized below:

(1) **Location:** 615 Grant Avenue (entire second floor)

Purpose of Lease: Chinatown Child Development Center

Lessor: Patrick and Esther Leung

**No. of Sq. Ft. and
Cost/Month:** 3,815 sq. ft. @ \$1.18/sq. ft./mo. = \$4,491.52
rent/month

Annual Rent: \$53,898

**% Change
over 1995-96:** None

**Utilities and Janitor
Provided by Lessor:** Janitorial Only

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12
months)

Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund
monies included in the 1996-97 budget of DMSF

* * * * *

(2) **Location:** 471 Jessie Street (entire ground floor)

Purpose of Lease: Outpatient Mental Health Clinic

Lessor: Susan McAllister Moxon

**No. of Sq. Ft. and
Cost/Month:** 1,500 sq. ft. @ \$1.01/sq. ft./mo. = \$1,513 rent/mo.

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Annual Rent: \$18,156

**% Change
over 1995-96:** None

**Utilities and Janitor
Provided by Lessor:** Janitorial Only

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12 months)

Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

(3) **Location:** 471 Jessie Street (entire second and third floors)

Purpose of Lease: Outpatient Mental Health Clinic

Lessor: Susan McAllister Moxon

**No. of Sq. Ft. and
Cost/Month:** 2,824 sq. ft. @ \$1.01/sq. ft./mo. = \$2,849

Annual Rent: \$34,188

**% Change
over 1995-96:** None

**Utilities and Janitor
Provided by Lessor:** Janitorial Only

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12 months)

Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

(4) **Location:** 111 Potrero Avenue

Purpose of Lease: Outpatient Mental Health Clinic

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Lessor: 111 Potrero Partnership

No. of Sq. Ft. and Cost/Month: 6,000 sq. ft. @ \$0.93/sq. ft./mo. = \$5,602 rent/mo.

Annual Rent: \$67,224

% Increase over 1995-96: No change in rent from prior year

Utilities and Janitor Provided by Lessor: Janitorial Only

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12 months)

Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

* * * * *

(5) **Location:** 298 Monterey Boulevard

Purpose of Lease: Outpatient Mental Health Clinic

Lessor: John William Powell and Sylvia Campbell Powell

No. of Sq. Ft. and Cost/Month: 4,025 sq. ft @ \$0.57/sq. ft./mo. - \$2,300 rent/mo.

Annual Rent: \$27,600

% Change over 1995-96: None

Utilities and Janitor Provided by Lessor: Janitorial Only

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12 months)

Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

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(6) **Location:** 615 Grant Avenue (entire fifth floor)

Purpose of Lease: Chinatown Child Development Center

Lessor: 1992 Louie Family trust and 718 California Street Corporation

No. of Sq. Ft. and Cost/Month: 4,100 sq. ft. @ \$1.43 sq. ft./mo. = \$5,860

Annual Rent: \$70,320

% Change over 1995-96: None

Utilities and Janitor Provided by Lessor: No

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12 months)

Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

(7) **Location:** 755-61 South Van Ness Avenue (entire ground floor)

Purpose of Lease: Mental Health Outpatient Clinic

Lessor: AIM TWO

No. of Sq. Ft. and Cost/Month: 7,101 sq. ft @ \$0.80/sq. ft./mo. = \$5,689 rent/month

Annual Rent: \$68,268

% Change over 1995-96: None

Utilities and Janitor Provided by Lessor: No

Term of Lease: July 1, 1996 on a month-to-month basis (not to exceed 12 months)

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Right of Renewal: None

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

* * * * *

(8) Location: 759 South Van Ness Avenue (entire second floor)

Purpose of Lease: Children's Outpatient Mental Health Clinic

Lessor: AIM TWO

No. of Sq. Ft. and Cost/Month: 6,445 sq. ft. @ \$0.91/sq. ft./mo. = \$5,842

Annual Rent: \$70,104

% Increase over 1995-96: 5 percent

Utilities and Janitor Provided by Lessor: No

Term of Lease: July 1, 1996 through June 30, 1997

Right of Renewal: Two additional one-year options to renew

Source of Funds: 55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

* * * * *

(9) Location: 10-20 Twenty-ninth Street

Purpose of Lease: Children's Outpatient Mental Health Clinic

Lessor: George, Lois and Lawrence Maisels

No. of Sq. Ft. and Cost/Month: 2,419 sq. ft. @ \$0.62/sq. ft./mo. = \$1,500 rent/mo.

Annual Rent: \$18,000

% Change over 1995-96: None

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**Utilities and Janitor
Provided by Lessor:**

No

Term of Lease:

July 1, 1996 on a month-to-month basis (not to exceed 12 months)

Right of Renewal:

None

Source of Funds:

55 percent State Funds and 45 percent General Fund monies included in the 1996-97 budget of DMSF

* * * * *

(10) Location:

3901-3905 Mission Street (portion of ground floor)

Purpose of Lease:

Outpatient Mental Health Clinic

Lessor:

Giovacchino and Armando Diodati

**No. of Sq. Ft. and
Cost/Month:**

2,570 sq. ft. @ \$1.20 /sq. ft./mo. = \$3,084 rent/mo.

Annual Rent:

\$37,008

**% Change
over 1995-96:**

None

**Utilities and Janitor
Provided by Lessor:**

Lessor is responsible for utilities and janitorial services

Term of Lease:

July 1, 1996 through June 30, 1997

Right of Renewal:

3 one-year renewal options

Source of Funds:

100 percent General Fund monies included in the 1996-97 budget of DMSF

* * * * *

(11) Location:

3911 Mission Street (portions of ground floor)

Purpose of Lease:

Outpatient Mental Health Clinic

Lessor:

Giovacchino and Armando Diodati

**No. of Sq. Ft. and
Cost/Month:**

1,500 sq. ft. @ \$1.20 /sq. ft./mo. - \$1,800 rent/mo.

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Annual Rent: \$21,600

**% Change
over 1995-96:** None

**Utilities and Janitor
Provided by Lessor:** Lessor is responsible for utilities and janitorial services

Term of Lease: July 1, 1996 through June 30, 1997

Right of Renewal: 3 one-year renewal options

Source of Funds: 100 percent General Fund monies included in the 1996-97 budget of DMSF

Comments:

1. The Real Estate Department reports that the proposed rents reflect the fair market value. The Real Estate Department has submitted a letter which explains the changes in rental costs from FY 1995-96. With the exception of the lease (#8) at 759 South Van Ness Avenue, (which increases five percent from the prior year, from \$5,349 monthly to \$5,616 monthly), the rentals for all of the other proposed leases will remain the same for FY 1996-97. According to Mr. Steve Alms of the Real Estate Department, the increase in rent at the 759 South Van Ness site is attributed to the existing agreement which provides for a five percent increase, as a result of renovations that have been completed in previous years.

2. Mr. Alms reports that Leases #1 and #6 have been negotiated on a month-to-month basis because these child development centers are currently located in non-seismically sound structures, and are anticipated to be relocated by approximately January 1, 1997. Mr. Alms states that Leases #2, #3, #4, and #7 have been negotiated on a month-to-month basis, pending suitable alternative locations being found for the clinics during FY 1996-97. Mr. Alms notes that new sites for the clinics under Leases #2 and #3 have tentatively been identified and the leases for these two new sites are pending. Mr. Alms advises that Lease #5 has continued to operate on a month-to-month basis due to potential reduction in Federal monies. According to Mr. Alms, a reduction in

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Federal funding for the clinic could result in a reduction or an elimination of the space being leased. Finally, Lease #9 has been negotiated on a month-to-month basis because the clinic will be moving to an as yet undetermined location during FY 1996-97. Mr. Alms states that the Real Estate Department is currently in the process of searching for an appropriate location for the clinic.

Recommendation: Approve the proposed resolution.

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Item 13 - File 64-96-7

Department: Department of Social Services
Department of Real Estate

Item: Resolution authorizing a new lease of real property at 30 Van Ness Avenue, San Francisco, for the Department of Social Services.

Location: 30 Van Ness Avenue, second floor.

Purpose of Lease: Administrative offices and job training facilities for the Department of Social Services (DSS) GAIN (Greater Avenues to Independence) job training program's Success Center.

Lessor: The Herbst Foundation

Lessee: Department of Social Services

No of Sq. Ft. and Cost per Month: 1,822 square feet @ \$1.25 per square foot per month, for a total of \$2,277.50 per month.

Annual Cost: \$27,330, plus \$17,485 in the first year for tenant improvements. (See Comment No. 1 for prepayment plan.)

Term of Lease: The initial lease term would commence upon completion of leasehold improvements by the Herbst Foundation (which is expected to occur by July 1, 1996), and would end on November 30, 2000 (or approximately four years and five months.

Utilities and Janitor Provided by Lessor: The lessor would provide all utilities and janitorial services. However, the City would be responsible for paying for a pro-rata share of increases in the Lessor's operating expenses, utilities and common area maintenance costs, over the base year of August 1, 1996 through July 31, 1997.

Right of Renewal: Two additional terms of two years each, at a rental amount adjusted according to increases in the Consumer Price Index (CPI).

Source of Funds: FY 1995-96 State GAIN Program funding, included in the DSS FY 1995-96 budget. Such revenues must be spent and claimed during FY 1995-96 in order to be received from the State.

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Description:

The proposed lease would provide for expanded employment training facilities for the Department of Social Services (DSS) GAIN Success Center. The GAIN program is a program operated by County social services departments throughout California. The GAIN program provides welfare recipients with employment training opportunities, training in job search skills, and assistance with job placement. The GAIN Success Center is a program first implemented during FY 1995-96 which seeks to enhance self-sufficiency among GAIN clients by teaching them job search and interviewing skills.

DSS started the GAIN Success Center program in February, 1996 using 4,584 square feet of space at the 30 Van Ness location, for which the DSS is also paying \$1.25 per square foot per month. The proposed lease would provide an additional 1,822 square feet of adjacent space for the Success Center, or approximately a 40 percent increase in space. Both leases would end on November 30, 2000, with two options to renew for two-year periods each.

Prior to the commencement of the proposed lease, the landlord would be required to complete leasehold improvements valued at \$94,193, of which the DSS would pay \$17,485, or approximately 18.6 percent. Funds for this purpose as well as funds for the lease prepayment noted in Comment No. 1 below, are available in FY 1995-96 budgeted Gain Program revenues from the State.

Comments:

1. Ms. Sally Kipper of the DSS states that the DSS plans to exercise an option contained in the proposed lease to prepay the entire rent for the initial term of the lease, and receive a present value discount calculated at a 6.375 percent annual rate. Ms. Kipper advises that the DSS has sufficient State Gain Program funds available in the FY 1995-96 budget to prepay the rent for approximately four years and 5 months, or 53 months, which assumes an occupancy date of approximately July 1, 1996, when the leasehold improvements are anticipated to be completed. Ms. Kipper reports that the DSS will prepay \$104,962.63 in rent, compared to a total cost of \$120,700 (approximately 53 months times \$2,277.50 per month.) that would be expended over the initial term of the lease if it was not prepaid, for a savings of \$15,737.37. Ms. Kipper further advises that, if the FY 1995-96 Gain Program funds are not used to prepay the rent prior to July 1, 1996, they would not be available from the State at a later date.

2. Mr. Steve Hoppe of the DRE states that, even if the DSS prepays the entire rent for the initial term of the lease, the City would have legal remedies in case of default on any rent provisions by the landlord. Mr. Hoppe advises that the lease states that the landlord would have to refund any rent abatements that result from such default. Mr. Hoppe further states that, if the lease does not run its full term, the landlord would be required to refund the balance of any overpayment of rent.

3. Ms. Kipper states that the GAIN Success Program currently has a capacity of 200 clients, who are served in the existing 4,584 square feet of space that is rented for the program at the 30 Van Ness location. According to Ms. Kipper, the proposed increase in space at 30 Van Ness would permit the Success Program to increase enrollment by at least 50 clients initially, with the intention of increasing to 100 additional clients within a few months. Ms. Kipper states that the Gain Success Program has been highly successful at training GAIN Program participants to seek and obtain employment.

Ms. Kipper further advises that DSS administrators believe it is important to increase the capacity for such job training services in preparation for anticipated welfare reform measures at the Federal and State level, which are expected to limit the amount of time that an individual can receive Aid to Families with Dependent Children (AFDC). Ms. Kipper advises that it is in the interest of the County to assist such individuals in obtaining employment, so that they will not become General Assistance clients, at full cost to the County, when they exhaust the anticipated AFDC time limits.

Recommendation: Approve the proposed resolution.

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Item 14 - File 64-96-8

Departments: Real Estate Department
Department of Public Works (DPW)
Bureau of Environmental Regulation and Management (BERM)

Item: Resolution authorizing a new lease of real property at 3801 Third Street, San Francisco, for the Department of Public Works.

Location: Second floor of 3801 Third Street in the Bayview District

Purpose of Lease: Office space for the Department of Public Works (DPW), Bureau of Environmental Regulation and Management (BERM)

Lessor: Ssang Yong Yashima Future Development, a California limited partnership

No. of Sq. Ft. and Cost Per Month: 10,740 square feet at \$1.00 per square foot or \$10,740 per month

Annual Cost: \$128,880 per year during the initial five-year term of the lease, plus pass-throughs for increases in certain operating expenses (including scavenger services, janitorial services and building maintenance and management) over the base year of July 1, 1996 through June 30, 1997.

Percentage Decrease from Previous Lease: The current rental rate for this space, which DPW has occupied since 1991 under an existing lease which is scheduled to expire on June 30, 1996, is \$1.34 per square foot or \$14,392 per month (\$172,704 annually). Because of a decline in the fair market rent for this property since 1991, the proposed rental rate of \$1.00 per square foot reflects a 25.5 percent decrease in the current rental rate of \$1.34 per square foot. (see Comment No. 2)

Term of Lease: July 1, 1996 through June 30, 1997 (five years)

Utilities and Janitor Provided by Lessor: DPW would be responsible for paying its prorata share of electricity, water and sewer service expenses, at an estimated additional cost of \$1,625 per month (\$19,500 per year). The landlord would pay for all other services to the building.

BOARD OF SUPERVISORS
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Memo to Government Efficiency and Labor Committee
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- Right of Renewal:** The proposed lease includes one option to renew the lease for an additional term of five years at a rental rate of 95 percent of the fair market rent. The fair market rent would be determined through mutual agreement between the Real Estate Department and the lessor.
- Source of Funds:** Sewer Service Charges. Included in DPW's FY 1996-97 budget.
- Comments:**
1. Mr. Steve Hoppe of the Real Estate Department advises that the proposed monthly rental rate of \$1.00 per square foot represents the fair market rent for this space.
 2. As previously noted, BERM has occupied this space at 3801 Third Street since 1991 under an existing lease which is scheduled to expire on June 30, 1996. According to Mr. Hoppe, rather than renewing the current lease, which would require the City to continue paying rent at the current monthly rate of \$1.34 per square foot, the Real Estate Department chose to negotiate a new lease for this property at a lower rental rate because of a general decline in fair market rents throughout the City since 1991.
- Recommendation:** Approve the proposed resolution.

BOARD OF SUPERVISORS
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Item 15 - File 172-96-17

Department: Department of Social Services

Item: Resolution authorizing the execution of a contract between the City and County of San Francisco, Department of Social Services (DSS), and the State Department of Education, Child Care and Development Program.

Contract Amount: \$128,167

Contract Period: July 1, 1995 through June 30, 1996

Description: The proposed resolution would authorize DSS to enter into a contract with the State Department of Education's Child Care and Development Program for FY 1995-96. DSS has entered into such a contract with the State annually since 1992. The above-mentioned program provides funding to local jurisdictions to subsidize child care costs for eligible clients who have children in child care and are either 1) of low-income status, 2) homeless or 3) have a child who is under protective services at DSS. Child protective services are for children who have been identified by DSS as abused, neglected or exploited or at risk of abuse, neglect or exploitation.

Ms. Rutherford of DSS reports that the Department receives the contract amount of \$128,167 to pay child care providers directly for the cost of child care provision of eligible children. Ms. Rutherford reports that the total contract amount of \$128,167 is based on last year's demand (number of children served in FY 1994-95) and the number of applications received for the current contract year. During the 11-month period of July 1, 1995 through May 31, 1996, 256 eligible children were served as a result of the contract agreement between DSS and the State Department of Education, Child Care and Development Program for an average payment of \$500 per child. According to Ms. Rutherford, the total contract amount of \$128,167 is paid to childcare providers.

A local match is not required under this contract with the State Department of Education, Child Care and Development Program. Ms. Rutherford states that the proposed contract represents approximately 3.2 percent of childcare subsidies administered by DSS, which totaled \$3,951,251 in FY 1995-96. Therefore, Ms. Rutherford advises that the minimal administrative costs associated with this contract are covered by other Federal and State childcare funding sources received by DSS.

BOARD OF SUPERVISORS
BUDGET ANALYST

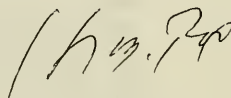
Memo to Government Efficiency and Labor Committee
June 25, 1996 Government Efficiency and Labor Committee Meeting

Comments:

1. The Department has expended funds against the proposed contract. As such the proposed resolution should be amended to authorize the Department of Social Services to execute retroactively the contract with the State Department of Education, Child Care and Development Program.
2. The reason the contract approval is being submitted with one month remaining in the contract is because DSS and the City Attorney's Office pursued negotiations with the State Department of Education, Child Care and Development Program to establish less time-consuming renewal arrangements, according to Ms. Rutherford of DSS. As a result, there were delays in the submission of the contract for approval.

Recommendations:

1. Amend the proposed resolution to authorize the Department of Social Services to execute retroactively the contract with the State Department of Education, Child Care and Development Program.
2. Approve the proposed resolution as amended.



Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Yaki
Supervisor Katz
President Shelley
Supervisor Alioto
Supervisor Bierman
Supervisor Brown
Supervisor Hsieh
Supervisor Kaufman
Supervisor Leal
Supervisor Teng
Clerk of the Board
Chief Administrative Officer
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

BOARD OF SUPERVISORS
BUDGET ANALYST

MINUTES

REGULAR MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JUNE 25, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 404

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ

CLERK: MARY L. RED

TIME MEETING CONVENED 1:10 P.M.

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CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine, and will be acted upon by a single roll call vote. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed and considered as a separate item.
 - (a) File 146-96-9. [Grant, Early Childhood Mental Health Program] Resolution authorizing the Department of Public Health, Division of Mental Health and Substance Abuse, to accept and expend retroactively a grant of \$190,691, from the Miriam and Peter Haas Fund, to create an integrated model of targeted consultation by establishing an intensive consultant training program which will prepare mental health practitioners to provide consultation, staff training, prevention and early intervention services and support for constituents of licensed, center-based early childhood programs serving San Francisco's low-income families; providing for ratification of action previously taken and waiving indirect costs. (See File 146-96-2) (Supervisors Alioto, Shelley)
 - (b) File 146-96-10. [Grant, Universitywide AIDS Research Program] Resolution authorizing the Department of Public Health, Community Public Health Services, to apply for retroactively and accept and expend a grant of \$119,143 from the University of California Universitywide AIDS Research Program to evaluate the referral component of the HIV Counseling, Testing, Referral and Partner Notification (CTPRN) Program; waiving indirect costs and providing for ratification of action previously taken. (Supervisors Alioto, Shelley)

SPEAKERS: Supervisor Yaki; Dept. Public Health rep.

ACTION: Item 1a severed from consent calendar; remainder of calendar
RECOMMENDED.

- (a) File 146-96-9. Amended to delete "retroactively" on line 4 and 16. New title: "Authorizing the Department of Public Health, Community Public Health Services, to apply for and accept and expend a grant of \$119,143 from the University of California Universitywide AIDS Research Program to evaluate the referral component of the HIV Counseling, Testing, Referral and Partner Notification (CTRPN) Program; waiving indirect costs and providing for ratification of action previously taken." RECOMMENDED AS AMENDED.

REGULAR CALENDAR

2. File 106-96-2. [Compensation Schedules for Superior Court] Ordinance setting schedules of compensation and other economic benefits for certain classifications of persons employed by the Supervisor Court for the City and County of San Francisco. (Superior Court) (Continued from 6/11)

SPEAKERS: Kate Harrison, Trial Courts.

ACTION: Amendment of the Whole (as presented by department) adopted. Same title. RECOMMENDED AS AMENDED.

3. File 106-96-3. [Compensation, Municipal Court, FY 1996-97] Ordinance setting schedules of compensation and other economic benefits for fiscal year 1996-97 for certain classifications of persons employed by the Municipal Court for the City and County of San Francisco. (Municipal Court) (Continued from 6/11)

SPEAKERS: Kate Harrison, Trial Courts.

ACTION: Amendment of the Whole (as presented by department) adopted. Same title. RECOMMENDED AS AMENDED.

4. File 65-96-8. [Environmental findings, Rooftop Surface Lease] Resolution reaffirming adoption of findings and statement of overriding consideration pursuant to the California Environmental Quality Act (CEQA) for the Yerba Buena Gardens Redevelopment Agency/City Rooftop Surface Lease; companion measure to File 65-96-8.1. (Also see File 91-94-1.1). (Chief Administrative Officer)

SPEAKERS: Jack Moerschbaecher, Convention Facilities; Supervisor Yaki; Clifford Graves, Redevelopment Agency.

ACTION: Hearing held. RECOMMENDED.

5. File 65-96-8.1. [Redevelopment Agency Rooftop Surface Lease] Ordinance providing for the approval, execution and delivery of the Agency Rooftop Surface Lease, between City and County of San Francisco ("City") and Redevelopment Agency of the City and County of San Francisco ("Agency"), for a portion of the Central Block Three of the Yerba Buena Gardens; providing for the approval, execution and delivery of the Coordination Agreement, between the City and the Agency, regarding the operation and use of Central Block Three; providing for the approval, execution and delivery of the amendment to 1988 Reciprocal Easement Agreement, dated as of March 1, 1988, between the City and the Agency affecting Central Block Three; providing for the execution of any additional documents in connection therewith; and ratifying previous actions taken in connection therewith; companion to File 65-96-8. (Chief Administrative Officer)

SPEAKERS: Jack Moerschbaecher, Convention Facilities; Supervisor Yaki; Clifford Graves, Redevelopment Agency.

ACTION: Hearing held. RECOMMENDED.

6. File 65-96-9. [Lease, Bay Area Cellular Telephone Company] Ordinance authorizing and approving a lease of cellular transmitter space in Fire Department headquarters to Bay Area Cellular Telephone Company. (Real Estate Department)

SPEAKERS: Harry Quinn, Real Estate Dept.

ACTION: Hearing held. RECOMMENDED to Board July 8, 1996.

7. File 172-96-18. [Medical Services Contract] Ordinance authorizing the Director of Public Health to execute an agreement with the San Francisco Health Plan for the Department of Public Health to provide services to San Francisco Health Plan members, which agreement includes binding arbitration and hold harmless clauses. (Department of Public Health)

SPEAKERS: Richard Cordova, Admin. SFGH; Supervisor Yaki; Supervisor Ammiano.

ACTION: RECOMMENDED.

8. File 172-96-19. [Medical Services Contract] Ordinance authorizing the Director of Public Health to execute an agreement with the California Department of Corrections for the Department of Public Health to provide services to inmates at the Elizabeth Frye Center, which agreement includes binding arbitration and indemnification clauses. (Department of Public Health)

SPEAKERS: Dept. Public Health rep.

ACTION: RECOMMENDED.

9. File 25-96-11. [Prop J Contract, Prime Vendor Distribution Program] Resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the Department of Public Health by private contractor for a lower cost than similar work services performed by City and County employees. (Department of Public Health)

ACTION: Continued to the call of the Chair at request of the Department.

10. File 47-96-4. [Management Agreement Amendment] Resolution approving amendment of the management agreement (bet. S.F. Parking Authority and Five Star Parking/Universal Parking Resources) for operation of the San Francisco General Hospital Medical Center Parking System. (See File 199-96-1) (Real Estate Department)

SPEAKERS: Harry Quinn, Real Estate; Kevin Haggarty, Parking & Traffic Dept.

ACTION: RECOMMENDED.

11. File 47-96-6. [Performing Arts Garage Management Agreement] Resolution approving form of the Performing Arts Garage management agreement and bid documents, and authorizing Parking Authority to request bids for management of the Performing Arts Garage using the approved bid documents. (Real Estate Department)

SPEAKERS: Kevin Haggarty, Parking & Traffic Dept.

ACTION: Amended on page 2, to require approval by the Board of Supervisors of any modifications to bid documents. Same title. RECOMMENDED AS AMENDED.

12. File 64-96-6. [Extension and Renewal of Leases] Resolution authorizing extension and renewal of eleven (11) existing leases of real property required by the Department of Public Health. (Real Estate Department)

SPEAKERS: Toni DeLucchi, Real Estate Dept.

ACTION: RECOMMENDED.

13. File 64-96-7. [Lease of Property at 30 Van Ness Avenue] Resolution authorizing a lease of real property at 30 Van Ness Avenue, San Francisco, for the Department of Social Services. (Real Estate Department)

ACTION: WITHDRAWN.

14. File 64-96-8. [Lease of Property at 3801 Third Street] Resolution authorizing a lease of real property at 3801 Third Street, San Francisco, for the Department of Public Works. (Real Estate Department)

SPEAKERS: Toni DeLucchi, Real Estate Dept.

ACTION: RECOMMENDED.

15. File 172-96-17. [State Child Care Contract] Resolution authorizing the execution of a contract between the City and County of San Francisco and the State of California Department of Education in the amount of \$128,167 for participation by the City and County in the State's Child Care and Development Program for fiscal year 1995-96. (Department of Social Services)

SPEAKERS: None.

ACTION: Consideration continued to July 9.

LITIGATION:

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

16. File 48-96-20. [Settlement of Claim, CSAA Insurance] Resolution approving the settlement of the unlitigated claim of CCAA Insurance (Charles Crockett) by payment of \$12,300. (City Attorney)

ACTION: RECOMMENDED.

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the proposed settlements listed above at this time and may move not to disclose any information at this time.

CITY AND COUNTY



OF SAN FRANCISCO

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BOARD OF SUPERVISORS**BUDGET ANALYST**

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

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July 5, 1996 DOCUMENTS DEPT.

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SAN FRANCISCO
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Item: Resolution authorizing the Chief Adult Probation Office of the City to apply for, accept and expend funds in the amount of \$180,774 which includes indirect costs in the amount of \$9,039 based on 5 percent of the total project made available through the State Office of Criminal Justice Planning for a project entitled "San Francisco Adult Probation's Drug Abatement Project."

Grant Amount: \$180,774**Grant Period:** July 1, 1996 through June 30, 1997**Source of Funds:** State Office of Criminal Justice Planning (OCJP)**Project:** San Francisco Adult Probation's Drug Abatement Project

Description: This continuing project has provided intensive supervision for a limited group of drug offenders for six years. For FY 1996-97, the grant would continue to provide intensive supervision to a group of 50 drug offenders, aged 18 to 35 years who are on probation, and 70 to 100 drug offenders who

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are participating in the San Francisco Drug Rehabilitation Court Program (SFDRP) The SFDRP is a program for drug-addicted individuals who are placed into substance abuse treatment programs, in lieu of serving jail time. The primary objectives of the Drug Abatement Program include monitoring the drug use of these offenders by frequent urinalysis testing, providing referrals to drug counseling, and supervising compliance with the counseling conditions of probation.

Budget:	<u>Personnel</u>	<u>FTE</u>	
	Probation Officers	2.25	\$114,807
	Fringe Benefits		
	PERS @ 19.43%		\$22,308
	Medicare		925
	Health		4,727
	Unemployment		<u>207</u>
	Subtotal	<u>2.25</u>	28,167
	<u>Operating Expenses</u>		
	Travel (See Comment No. 1)		3,393
	Telephone @ \$50 per month x 12		600
	Audit		1,808
	Urinalysis (\$8.00 per specimen x 2,870 specimens		<u>22,960</u>
	Subtotal		28,761
	<u>Indirect Costs</u>		
	@ 5% of Total Grant		<u>9,039</u>
	Total		\$180,774

Required Match: None

Indirect Costs: \$9,039, or 5 percent of grant amount of \$180,774

- Comments:**
1. The proposed Travel budget of \$3,393 would be used for two individuals to attend two Southern Training Conferences, required by OCJP, located in Anaheim, California. The costs associated with these two conferences, include Airfare (\$1,000), Registration (\$600), Hotel (\$1,200-12 nights total @ \$100 per night), Meals (\$444), and Transportation (\$149).
 2. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Government Efficiency and Labor Committee. These projects are as follows:

BOARD OF SUPERVISORS
BUDGET ANALYST

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation*	130-96-1	\$180,774
District Attorney	138-96-6	317,421
District Attorney	138-96-7	135,501
Police Department	143-96-2	<u>151,594</u>
Total		\$785,290

* The subject of the proposed resolution.

3. Attached is a Summary of Grant Request form, provided by the Department.

4. The Department has prepared a Disability Access Checklist, which is on file with the Clerk of the Board's Office.

5. Mr. Mark James of the Adult Probation Department reports that if the State grant of \$180,774 is reduced or terminated, the result would be a reduction in staff.

6. The application deadline for this grant was June 6, 1996 and, as such, the Adult Probation Department has already submitted the grant application to the State. Additionally, the Adult Probation Department advises that expenditures have been incurred against the proposed grant funds. Therefore, the proposed resolution should be amended to retroactively authorize the Adult Probation Department to apply for, accept and expend the proposed grant funds.

Recommendations: 1. As noted in Comment No. 6, amend the proposed resolution to retroactively authorize the Adult Probation Department to apply for, accept and expend the proposed grant funds.

2. Approve the proposed resolution as amended.

Grantor California Office of Criminal Justice Planning Division Adult Probation
Anti-Drug Abuse enforcement Section Community Services
Contact Person Contact Person Carmen Bushe
Address 1130 K Street Telephone (415) 553-1901
Sacramento, CA 95814 Application Deadline June 6, 1996
Amount Requested \$180,774 Notification Expected August 15, 1996
Health Commission Board of Supervisors: Finance Committee
Full board

I. Item Description: Request to accept and expend a continuation to a grant in the amount of \$180,774 from the period of 7-1-96 to 6-30-97 to provide probation supervision services.

II. Summary:

This grant has been in effect for eight years providing intensive supervision for a select group of drug offenders. This year the Adult Probation Department intends to focus on 18 to 35 year old males convicted of drug offenses. In addition, 70 to 1100 Drug Court participants will be intensively supervised due to a portion of this funding.

III. Outcomes/Objectives:

The objective is to get these at-risk offenders off drugs and involved in more productive behaviors and activities.

IV. Effects of Reduction or Termination of These Funds:

Were these funds not received, this population of offender would continue to use illegal drugs with all the attendant adverse effects to the community. Grant money allows for intensive supervision and rehabilitative referrals.

V. Financial Information

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	159,892	177,677	180,774	+3,097	_____	_____
Personnel	129,110	139,608	142,974	+3,366	_____	_____
Equipment	0	0	0	0	_____	_____
*Contract Svc.	19,215	23,490	22,960	-530	_____	_____
Mat. & Supp.	0	0	0	0	_____	_____
Facilities/Space	0	0	0	0	_____	_____
Other	3,372	5,696	5,801	+105	_____	_____
Indirect Costs	7,995	8,883	9,039	+156	_____	_____

VI. Data Processing

VII. Personnel

F/T CSC	<u>2</u>	<u>2.25</u>	<u>2.25</u>	<u>0</u>	_____	_____
P/T CSC	_____	_____	_____	_____	_____	_____
Contractual	_____	_____	_____	_____	_____	_____

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
N/A

Will grant funded employees be retained after this grant terminates? If so, how?

If grant terminates, the officers on the grant would force the layoff of the two most recently hired probation officers and reduce participation in Drug Court.

*VIII Contractual Services: Open Bid Yes Sole Source (if sole source, attach Request for Exemption Form)

Item 1b - File 132-96-2

Department: Art Commission

Item: Resolution authorizing the San Francisco Art Commission to retroactively apply for, accept and expend \$20,000 in California Art Council Grant funds to implement a new collaborative arts education project in Latin American Arts and Culture in partnership with the Mission Cultural Center for Latino Arts and five schools of the San Francisco Unified School District; waiving the two percent associated with indirect costs.

Grant Amount: \$20,000

Grant Period: October 1, 1996 through June 30, 1997 (9 months)

Source of Funds: California Art Council

Project: Latin American Arts Education Initiative

Description: The California Art Council, a State agency, has initiated a new grants program, entitled the Local Arts Education Partnership Program, which involves local arts agencies, education agencies and other arts resources in collaboratively planned projects to strengthen arts education in California's public schools.

The proposed resolution would authorize the Art Commission to apply for retroactively, and accept and expend grant funds in the amount of \$20,000, plus a required local match of \$20,000, for a total project budget of \$40,000, in order to implement a pilot project in partnership with the Mission Cultural Center for Latino Arts and the San Francisco Unified School District (SFUSD). The goal of this project would be to help educators develop a performing and visual arts curriculum with a Latin American cultural emphasis through a partnership between community cultural center artists, neighborhood schools and the School of the Arts.

The project budget of \$40,000 would pay for salaries, artistic fees, professional services contracts and other operating expenses. Through an informal selection process, the Art Commission selected the California Arts Project and the Institute for Urban Arts, two non-profit organizations, to provide consulting services amounting to \$5,050 of the \$40,000 proposed budget. The California Arts Project would provide training and expertise in implementing a sequential arts education program utilizing the State framework for arts

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education for the amount of \$2,000. The Institute for Urban Arts would provide training and expertise in teacher/artist collaborations, with multicultural and interdisciplinary connections to Latin American arts and culture for the amount of \$3,050.

Budget:

Personnel/Fees

Administrative Manager		
(133.3 hours @ \$30 per hour)	\$4,000	
Project Coordinator		
(400 hours @ \$25 per hour)	10,000	
Artistic Fees and Artists in Residence*		
(518 hours @ \$25 per hour)	12,950	
Teacher Stipends**		
(20 stipends @ \$200 per stipend)	<u>4,000</u>	
Subtotal		\$30,950

Consulting Services Contract

California Arts Project Fee	\$2,000	
Institute for Urban Arts (51 hours @ \$60 per hour)	<u>3,050</u>	
Subtotal		5,050

Operating Expenses

Art Supplies and Materials	\$3,000	
Office Supplies and Materials	<u>1,000</u>	
Subtotal		<u>4,000</u>

TOTAL PROJECT BUDGET		\$40,000
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* Ten artists were selected from the Mission Cultural Center's existing artist roster to conduct training sessions and workshops for educators.

** These stipends of \$200 each will be paid to 20 teachers who are required to attend two Saturday staff development sessions.

Required Match:

Under the terms of the grant, the Art Commission is required to provide a local match in the amount of \$20,000. Of this amount, \$5,000 would be donated by the Mission Cultural Center for Latino Arts through a fundraising project, \$10,000 would be paid for by the SFUSD, and \$5,000 would be paid for with budgeted funds in the Art Commission's FY 1996-97 budget.

Indirect Costs:

The grantor does not allow for the inclusion of indirect costs in the grant amount. As such, the proposed resolution

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provides that indirect costs in the amount of two percent of the grant amount (\$400) should be waived.

Comments:

1. The Art Commission advises that it submitted the grant application for the proposed grant prior to the application deadline of April 16, 1996. As such, the proposed resolution includes a provision to retroactively apply for the subject grant.

2. A Grant Application Information Form, as prepared by the Art Commission, is attached.

3. The Art Commission has prepared a Disability Access Checklist, which is in the Clerk of the Board's file.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: San Francisco Art Commission

Contact Person: Ann Wettrich Telephone: 252-2597

Project Title: Latin American Arts Education Initiative

Grant Source: California Arts Council

Proposed (New / Continuation) Grant Project Summary:

The San Francisco Art Commission will implement a pilot project in partnership with the Mission Cultural Center for Latino Arts and the San Francisco Unified School District. The goal is to partner community cultural center artists with neighborhood schools and the School of the Arts to help educators develop a performing and visual arts curriculum with a Latin American cultural emphasis.

Amount of Grant Funding Applied for: \$20,000

Maximum Funding Amount Available: \$20,000

Required Matching Funds: \$10,000 S.F. Art Commission *
\$10,000 S.F. Unified School District

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: \$ 5,050

Will Contractual Services be put out to Bid? No (Specific resumes had to be submitted with grant proposal)

*\$5,000 of the SFAC match will be raised by the
Mission Cultural Center

Grant Application Information Form
Page 2

Term of Grant: October 1, 1996 through June 30, 1996

Date Department Notified of Available funds: August 1996

Application Due Date: April 16, 1996

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

See attached.

X Richard Newb
Department Head Approval

Memo to Government Efficiency and Labor Committee
July 9, 1996 Government Efficiency and Labor Committee Meeting

Item 1c - File 138-96-6

Department: District Attorney

Item: Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$317,421 from the State Office of Criminal Justice Planning, for the 'San Francisco District Attorney's Drug Abatement Project'.

Grant Amount: \$317,421

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: State Office of Criminal Justice Planning (OCJP)

Project: San Francisco District Attorney's Drug Abatement Project

Description: The proposed grant is a continuation grant to be used by the District Attorney's Office to target mid-level drug offenders through the use of vertical prosecution. Vertical prosecution means that one attorney is assigned to a case from the time a case is filed until its disposition, rather than assigning a new attorney to the case each time it enters a new phase of the criminal justice process (ie., sentencing, probation, etc.). The benefit of vertical prosecution is that it provides consistency and familiarity regarding the defendant and his/her case, and is intended to result in more appropriate sentencing of the individual. Vertical prosecution seeks the long term confinement of targeted offenders in order to significantly impact and disrupt illicit manufacturing and trafficking of narcotics. Additionally, this grant-funded project would target probationers who continue their involvement in the drug trade, violent crimes motivated by drug trafficking, and drug dealers in possession of a firearm.

Budget:	<u>Personnel</u>	<u>FTE</u>	
	Head Attorney	0.07	\$ 7,762
	Principal Attorney	0.35	36,058
	Principal Attorney	2.00	206,048
	Investigator	0.05	2,965
	Assistant Investigator	0.15	6,589
	Fringe Benefits		<u>36,185</u>
	Subtotal Personnel	2.62	\$295,607
	<u>Audit Fees</u>		3,174
	<u>Miscellaneous Supplies</u>		2,425

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
July 9, 1996 Government Efficiency and Labor Committee Meeting

Travel Expenses

Southern California Workshop

Airfare (round trip)	\$258
Hotel (\$79 x 2 days)	158
Meals (\$38 x 2 days)	76
Registration	150
Transportation	30

Northern California Workshop

Mileage (200 miles @ \$0.30/mile)	60
Hotel (\$71 x 2 days)	142
Meals (\$38 x 2 days)	76
Registration	150

Subtotal Travel 1,100

Subtotal Direct Costs \$302,306

Indirect Costs (5 percent of direct costs) 15,115

Total \$317,421

Required Match: None

Indirect Costs: Indirect costs of \$15,115 (5 percent of direct costs) are included in this grant.

Comments: 1. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Government Efficiency and Labor Committee. These projects are as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation	130-96-1	\$180,774
District Attorney*	138-96-6	317,421
District Attorney	138-96-7	135,501
Police Department	143-96-2	<u>151,594</u>
Total		\$785,290

* The subject of this proposed resolution.

2. Attached is a Summary of Grant Request, as prepared by the District Attorney's Office, for the proposed grant funds.

3. The District Attorney has prepared a Disability Access Checklist for this proposed grant program, which is on file with the Clerk of the Board.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. Mr. Frederic Howell of the District Attorney's Office reports that if the State grant of \$317,421 is reduced or terminated, the result would be a reduction in staff.

5. The application deadline for this grant was June 6, 1996 and, as such, the District Attorney's Office has already submitted the grant application to the State. Additionally, the District Attorney's Office advises that expenditures have been incurred against the proposed grant funds. Therefore, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for, accept and expend the proposed funds.

- Recommendations:**
1. As noted in Comment No. 5, amend the proposed resolution to retroactively authorize the District Attorney's Office to apply for, accept and expend the proposed grant funds.
 2. Approve the proposed resolution as amended.

Item No. _____

DISTRICT ATTORNEY - Summary of Gr. Request

Rev. 4/10/90

Grantor Office of Criminal Justice Planning
 Contact Person Carol Gerber
 Address 1130 K Street
Sacramento, California
 Amount Requested \$ 317,421.00
 Term: From 7/1/96 To 6/30/97
 Health Commission _____ Board of Supervisors: Finance Committee _____

Division District Attorney
 Section Narcotics Unit
 Contact Person Donna L. Lee
 Telephone 415-553-1456
 Application Deadline June 6, 1996
 Notification Expected _____
 Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation) to a grant in the amount of \$317,421 from the period of 7-1-96 to 6-30-97 to provide San Francisco Drug Abatement Program services.
 (Circle appropriate words)

II. Summary: (Concise history, need addressed; member groups served; services and providers)

The vertical prosecution team consisting of three experienced prosecutors will enable the District Attorney's Office to address mid level and street level drug dealers with prior convictions for drug trafficking as well as drug related violent cases. The program will target probationers who continue involvement in the drug trade.

III. Outcomes/Objectives:

The vertical prosecution team will target these offenders and seek the most appropriate sentence. It is anticipated that the project will significantly impact all classes of targeted offenders.

IV. Effects of Reduction or Termination of These Funds:

Without vertical prosecution many of these targeted offenders will be sentenced to probation with little or no jail time. A reduction or termination of funds will overwhelm the Narcotics Unit and would adversely affect the ability to handle target offenders.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount	280,755	311,985	317,421			
Personnel	261,481	292,461	295,607			
Equipment	0	0	0			
Contract Svc.	0	0	0			
Mat. & Supp.	1,328	0	2,225			
Facilities/Space	0	0	0			
Other	3,908	3,925	4,474			
Indirect Costs	14,038	15,599	15,115			

VI. Data Processing

(none included above)

VII. Personnel

F/T CSC	2	2	2.62		
P/T CSC	4*	4			
Contractual		N/A	N/A		

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 Positions at varying percentages - balance paid by the District Attorney General Fund.

Will grant funded employees be retained after this grant terminates? If so, How?

Grant Funded employees will be retained contingent upon continued source of funds available.

*VIII. Contractual Services: Open Bid N/A Sole Source N/A (if sole source, attach Request for Exemption Form)

Item 1d - File 138-96-7

Department: District Attorney

Item: Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$135,501 from the State Office of Criminal Justice Planning, for the 'San Francisco District Attorney's Major Narcotics Vendors Prosecution Program'.

Grant Amount: \$135,501

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: State Office of Criminal Justice Planning (OCJP)

Project: San Francisco District Attorney's Major Narcotics Vendors Prosecution Program (MNVPP)

Description: The proposed grant is a continuation grant to be used by the District Attorney's Office to target major level drug offenders through the use of vertical prosecution and coordination with various other law enforcement agencies at different levels. Vertical prosecution means that one attorney is assigned to a case from the time a case is filed until its disposition, rather than assigning a new attorney to the case each time it enters a new phase of the criminal justice process (ie., sentencing, probation, etc.). The purpose of the MNVPP is to seek the long term confinement of targeted offenders in order to significantly impact and disrupt illicit manufacture and trafficking of narcotics.

The MNVPP provides funds for one Head Attorney to work with the San Francisco Police Department, Federal law enforcement agencies such as the Bureau of Narcotics Enforcement and the Drug Enforcement Agency, and the United States Attorney's Office, and other jurisdictions on cases involving major narcotics dealers. The MNVPP attorney will work closely on a small number of complex narcotics cases, which is intended to result in longer sentences for individuals convicted of major narcotics distribution crimes. The MNVPP attorney will also file bail enhancements (increases to the bail amount) to insure that the defendant remains in custody between the time of arrest and the trial.

Memo to Government Efficiency and Labor Committee
 July 9, 1996 Government Efficiency and Labor Committee Meeting

Budget:	<u>Personnel</u>	<u>FTE</u>	
	Head Attorney	1.00	\$110,987
	Fringe Benefits		<u>14,199</u>
	Subtotal Personnel	1.00	\$125,186
	<u>Audit Fees</u>		1,355
	<u>Miscellaneous Office Supplies</u>		863
	<u>Travel Expenses</u>		1,645
	Subtotal, Direct Costs		\$129,049
	<u>Indirect Costs</u> (5 percent of direct costs)		<u>6,452</u>
	Total		<u>\$135,501</u>

Required Match: None

Indirect Costs: Indirect costs of \$1,355 (5 percent of direct costs) are included in this grant.

Comments: 1. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Government Efficiency and Labor Committee. These projects are as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation	130-96-1	\$180,774
District Attorney	138-96-6	317,421
District Attorney*	138-96-7	135,501
Police Department	143-96-2	<u>151,594</u>
Total		\$785,290

* The subject of this proposed resolution.

2. Attached is a Summary of Grant Request, as prepared by the District Attorney's Office, for the proposed grant funds.

3. The District Attorney has prepared a Disability Access Checklist for this proposed grant program, which is on file with the Clerk of the Board.

4. Mr. Frederic Howell of the District Attorney's Office reports that if the State grant of \$135,501 is reduced or terminated, the result would be a reduction in staff.

BOARD OF SUPERVISORS
BUDGET ANALYST

5. The application deadline for this grant was May 22, 1996 and, as such, the District Attorney's Office has already submitted the grant application to the State. Additionally, the District Attorney's Office advises that expenditures have been incurred against the proposed grant funds. Therefore, the proposed resolution should be amended to retroactively authorize the District Attorney's Office to apply for, accept and expend the proposed funds.

Recommendations: 1. As noted in Comment No. 5, amend the proposed resolution to retroactively authorize the District Attorney's Office to apply for, accept and expend the proposed grant funds.

2. Approve the proposed resolution as amended.

Grantor Office of Criminal Justice Planning
 Contact Person Carol Gerber
 Address 1130 K Street
Sacramento, California

Division District Attorney
 Section Narcotics Unit
 Contact Person Donna L. Lee
 Telephone 415-553-1456
 Application Deadline May 22, 1996
 Notification Expected _____

Amount Requested \$ 135,501
 Term: From 7-1-96 To 6-30-97
 Health Commission _____ Board of Supervisors: Finance Committee _____

Full Board _____

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (augmentation to a grant in the amount of \$135,501 from the period of 7-1-96 to 6-30-97 to provide Major Narcotic Vendors Prosecution Program services.

II. Summary: (Concise history, need addressed, number & groups served, services and providers) The Major Narcotic Vendors prosecutor will work closely with law enforcement to ensure that a case from its inception is prosecuted in accordance with provisions of PC 13882 et seq. The MNVP attorney will file the case with appropriate bail enhancement proceedings, appear at arraignment and subsequent proceedings and make every effort to obtain longer sentences at the conclusion of the case.

III. Outcomes/Objectives:

The major narcotics vendors prosecutor will seek exceptional consideration by the court by consistently requesting higher bails, timely review of their cases and demand of longer sentences.

IV. Effects of Reduction or Termination of These Funds: Without a vertical prosecutor specially assigned to aggressively prosecute major narcotic vendors, many of these targeted offenders will be released pending disposition, and will receive probation with little or no jail time. Without these funds the Narcotics Unit would be adversely affected in their ability to handle major narcotic vendor cases.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year/Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount		\$135,501	\$135,501			
Personnel		118,436	125,186			
Equipment		6,550	-0-			
Contract Svc.		-0-	-0-			
Mat. & Supp.		-0-	-0-			
Facilities/Space		-0-	-0-			
Other		3,740	3,863			
Indirect Costs		6,775	6,452			

VI. Data Processing

(amount included above)

-0-

-0-

VII. Personnel

F/T CSC

1.0

1.0

P/T CSC

-0-

-0-

Contractual

-0-

-0-

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 N/A

Will grant funded employees be retained after this grant terminates? If so, How?
 Grant Funded employees will be retained contingent upon source of funds available.

*VIII. Contractual Services: Open Bid N/A Sole Source N/A (if sole source, attach Request for Exemption Form)

Memo to Government Efficiency and Labor Committee
July 9, 1996 Government Efficiency and Labor Committee Meeting

Item 1e - File 143-96-2

Department: Police Department

Item: Resolution authorizing the Chief of Police to retroactively apply for, accept and expend funds in the amount of \$151,594, which includes indirect costs in the amount of \$7,580, based upon 5 percent of the total grant award, and \$1,500 for audit costs, for continual funding for a project entitled "Anti-Drug Abuse Enforcement Program"

Grant Amount: \$151,594

Grant Period: July 1, 1996 through June 30, 1997

Source of Funds: State Office of Criminal Justice Planning (OCJP)

Project: Anti-Drug Abuse Enforcement Program

Description: The proposed grant will be used by the Police Department to continue to (1) target street drug dealers and (2) coordinate efforts with the District Attorney and the Adult Probation Department to target certain probationers suspected of being involved in narcotics operations. The Police Department's goal with respect to street drug dealers would be to disrupt the dealers' daily operations by conducting high visibility "Buy/Bust Operations" (the purchase of drugs followed by the immediate arrest of the drug dealer) and "Buy Programs" (drug purchases) which permit the Department to serve arrest and/or search warrants in high numbers. The areas to be targeted would include the Tenderloin, the Potrero District, the Western Addition, the Mission District and the City's parks. Approval of the proposed grant funds would provide the seventh year of funding for the Police Department's Anti-Drug Abuse Enforcement Program.

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Memo to Government Efficiency and Labor Committee
 July 9, 1996 Government Efficiency and Labor Committee Meeting

Budget:	<u>Personnel</u>	<u>FTE</u>	
	8260 Criminalist	1.0	\$47,215
	Q50 Sergeant	.16	10,008
	Fringe Benefits		<u>17,146</u>
	Subtotal	1.16	\$74,369
	<u>Overtime</u>		
	1,650 hrs. @ \$40 per hour		66,000
	<u>Operating Expenses</u>		
	Travel (See Comment No. 1)		\$1,630
	Controller's Audit		1,500
	Confidential Informant Funds		<u>515</u>
	Subtotal		3,645
	<u>Indirect Costs</u>		
	@ 5% of Total Grant		<u>7,580</u>
	Total		\$151,594

Required Match: None

Indirect Costs: \$7,580, or 5 percent of grant amount of \$151,594

- Comments:**
1. The purpose of the Travel budget of \$1,630, is to allow one individual to attend two conferences, required by OCJP. The costs associated with these two conferences, include automobile rental and gas (\$600), Registration (\$300), Hotel (\$500- 6 nights total @ \$83 per night), and Meals (\$230).
 2. The proposed continuation grant is one of four Drug Abatement Projects included in this Report to the Government Efficiency and Labor Committee. These projects are as follows:

<u>Item</u>	<u>File Number</u>	<u>Grant Amount</u>
Adult Probation	130-96-1	\$180,774
District Attorney	138-96-6	317,421
District Attorney	138-96-7	135,501
Police Department*	143-96-2	<u>151,594</u>
Total		\$785,290

* The subject of the proposed resolution.

3. Attached is a Summary of Grant Request form, provided by the Department.

BOARD OF SUPERVISORS
BUDGET ANALYST

4. The Department has prepared a Disability Access Checklist, which is on file with the Clerk of the Board's Office.

5. Sergeant John Hallisy reports that if the State grant of \$151,594 is reduced or terminated, it is the Department's intention to identify another source of funding to support the grant staff and maintain the grant program services .

Recommendation: Approve the proposed resolution.

Director Office of Criminal Justice Planning (OCJP)
 Contact Person Carol Gerber
 Address 1130 K Street, Suite 300
 Sacramento, CA 95814
 Amount Requested \$ 151,594.00
 Term: From July 1, 1996 To June 30, 1997
 Health commission

Division Anti-Drug Abuse Branch (ADA)
 Section ADA
 Contact Person
 Telephone 1-(916) 324 9100
 Application Deadline June 6, 1996
 Notification Expected June, 1996
 Board of Supervisors: Finance Committee
 Full Board

(retroactively)

I. Item Description: Request to (apply for)(accept and expend) a (new)(continuation)(allocation)(augmentation to a) grant in the amount of \$151,594 from the period of July 1, 1996 to June 30, 1997 to provide funding for a Anti-Drug Abuse Enforcement program services.

II. Summary: (Context/history; need addressed; number & groups served; services and provide)

Buy busts will be conducted in various neighborhoods of San Francisco using officers on an overtime basis. Narcotics officers will also develop informants who will purchase drugs from residences in the City. The DA's office will assist the Police Department in preparing search warrants for these residences. The Probation Department will exchange information with Narcotics regarding their violent narcotic probationers who have violated the terms of their probation. The grant will also fund one criminalist position in the crime lab.

III. Outcomes/Objectives:

The theme of the ADA Enforcement Program is enhanced collaboration and coordination between criminal justice agencies at the local, state and federal levels. Local and state drug enforcement efforts have concentrated on the investigation and apprehension of street-level, mid-level and major drug traffickers. The flexibility to determine appropriate strategies at the local level has allowed each county to address their unique drug and violent crime problems.

V. Effects of Reduction or Termination of These Funds:

With staff shortages and budget restraints the amount of resources available for narcotics abatement are limited. District station personnel do not have the time or equipment to concentrate their efforts on a particular drug problem. With this grant funding the Narcotics Bureau will use officers on an overtime basis. This will allow the officers to focus all their attention on the drug problem in a specific neighborhood. The Narcotics Bureau will be able to respond to the complaints of the community quicker and more effectively.

V. Financial Information:

	Col. A	Col. B	Col. C	Col. D	Req Match	Approved by
	Two Years Ago	Past Year/Org.	Proposed	Change		
Grant Amount	\$ 133,948	\$ 148,997	\$ 151,594	\$ 2,597	00	
Personnel	\$ 123,497	\$ 136,832	\$ 140,369	\$ 3,537	00	
Equipment	00	00	00	00	00	
Contract Svc.					00	
Mat. & Supp.					00	
Facilities/Space						
Other	\$ 775	\$ 775	\$ 3,645	\$ 2,870	00	
Indirect Costs	\$ 8,683	\$ 8,197	\$ 7,580	\$ - 617		

VI. Data Processing

(omit included above)

VII. Personnel

F/T CSC	1	1	1	0	0	
P/T CSC	.25	.33	.16	- .17		
Contractual						

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:
 City and County of San Francisco Police Department

Will grant funded employees be retained after this grant terminates? If so, How?

Yes, Funding for these employees will be identified in future Police Department's budget proposals, after the grant period has ended.

VIII. Contractual Services: Open Bid Sole Source (if sole source, attach Request for Exemption Form)

Memo to Government Efficiency and Labor Committee
July 9, 1996 Government Efficiency and Labor Committee Meeting

Item 2 - File 172-96-17

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of June 25, 1996.

Department: Department of Social Services

Item: Resolution authorizing the execution of a contract between the City and County of San Francisco, Department of Social Services (DSS), and the State Department of Education, Child Care and Development Program.

Contract Amount: \$128,167

Contract Period: July 1, 1995 through June 30, 1996

Description: The proposed resolution would authorize DSS to enter into a contract with the State Department of Education's Child Care and Development Program for FY 1995-96. DSS has entered into such a contract with the State annually since 1992. The above-mentioned program provides funding to local jurisdictions to subsidize child care costs for eligible clients who have children in child care and are either 1) of low-income status, 2) homeless or 3) have a child who is under protective services at DSS. Child protective services are for children who have been identified by DSS as abused, neglected or exploited or at risk of abuse, neglect or exploitation.

Ms. Rutherford of DSS reports that the Department receives the contract amount of \$128,167 to pay child care providers directly for the cost of child care provision of eligible children. Ms. Rutherford reports that the total contract amount of \$128,167 is based on last year's demand (number of children served in FY 1994-95) and the number of applications received for the current contract year. During the 11-month period of July 1, 1995 through May 31, 1996, 256 eligible children were served as a result of the contract agreement between DSS and the State Department of Education, Child Care and Development Program for an average payment of \$500 per child. According to Ms. Rutherford, the total contract amount of \$128,167 is paid to childcare providers.

A local match is not required under this contract with the State Department of Education, Child Care and Development Program. Ms. Rutherford states that the proposed contract represents approximately 3.2 percent of childcare subsidies administered by DSS, which totaled \$3,951,251 in FY 1995-96. Therefore, Ms. Rutherford advises that the minimal

BOARD OF SUPERVISORS
BUDGET ANALYST

administrative costs associated with this contract are covered by other Federal and State childcare funding sources received by DSS.

Comments:

1. The Department has expended funds against the proposed contract. As such the proposed resolution should be amended to authorize the Department of Social Services to execute retroactively the contract with the State Department of Education, Child Care and Development Program.
2. The reason the contract approval is being submitted with one month remaining in the contract is because DSS and the City Attorney's Office pursued negotiations with the State Department of Education, Child Care and Development Program to establish less time-consuming renewal arrangements, according to Ms. Rutherford of DSS. As a result, there were delays in the submission of the contract for approval.

- Recommendations:**
1. Amend the proposed resolution to authorize the Department of Social Services to execute retroactively the contract with the State Department of Education, Child Care and Development Program.
 2. Approve the proposed resolution as amended.

Item 3 - File 25-96-13

1. The attached reports of the Controller pertain to the proposed resolution concurring with the Controller's certification that Budget Analyst services can be practically performed by private contractor for a lower cost than similar work performed by City employees.

2. The Budget Analyst provides health care coverage for their employees.

3. To continue full implementation of the Board's Minority Business Enterprise (MBE), Women Business Enterprise (WBE) ordinance, the Budget Analyst services are provided under a Joint Venture Agreement between the Board of Supervisors and Stanton W. Jones and Associates(MBE)/Debra A. Newman(WBE)/Rodriguez, Perez, Delgado & Company Certified Public Accountants(MBE)/Harvey M. Rose Accountancy Corporation Certified Public Accountants/Mah & Louie Certified Public Accountants(MBE). The MBE and WBE firms are registered with the Human Rights Commission. In accordance with the Board of Supervisors previously approved MBE/WBE Department Action Plan, 40 percent of the funding to provide Budget Analyst services under this contract is allocated to the four above-named MBE/WBE firms.

4. The Joint Venture would be operating under the third of four options, subject to approval by the Board of Supervisors, as stipulated in the Budget Analyst Joint Venture Agreement previously approved by the Board of Supervisors.

Edward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

May 30, 1996

Honorable Board of Supervisors
City and County of San Francisco
City Hall, Room 235
San Francisco, CA 94102

Attention: John L. Taylor, Clerk of the Board

Re: Contract for Budget Analyst Services

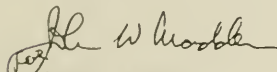
Dear Mr. Taylor:

The cost information and supplementary data provided by your office on the proposed contract for budget analyst services has been reviewed by my staff.

If the services are performed by the contractor at the proposed contract price, it would appear that the services can be performed at a lower cost than if the work were performed by City employees at presently budgeted levels. Our opinion is based on information provided that indicates that the comparable level of service would be provided by 18 full-time equivalent professional City employees. A statement of projected cost and estimated savings for the year commencing July 1, 1996 is attached for your review.

The requirements of Charter Section 8.300-1 relative to the Controller's findings that "work or services can practically be performed by private contract" for fiscal year 1996-97 have been satisfied. To complete the Charter requirements, your department must secure Board of Supervisor approval through resolution before entering into the private contractual arrangement.

Sincerely,


Edward Harrington
Controller

Enclosure

cc: Geoff Rothman, Employee Relations Division
Harvey Rose, Budget Analyst - Board of Supervisors
Wendell Pryor, Human Resources

BOARD OF SUPERVISORS
BUDGET ANALYST SERVICES (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
FISCAL YEAR 1996-97

	CLASS	POSITIONS	B.W.	RATE	LOW	HIGH
PROJECTED PERSONNEL COSTS						
BUDGET DIRECTOR	1831	1.00	3,597	4,372	95,100	113,117
ASST BUDGET DIRECTOR	1892	1.00	2,464	2,995	65,918	78,167
CHIEF ASSOC. BUDGET ANALYST	A289	3.00	2,335	2,839	187,394	222,322
PRINC. ASSOC. BUDGET ANALYST	A245	2.00	2,202	2,676	117,805	139,671
SR ASSOC. BUDGET ANALYST	1828	1.00	2,087	2,537	55,829	66,227
ASSOC. BUDGET ANALYST	1826	8.00	1,760	2,139	376,583	446,608
CONFIDENTIAL SECRETARY	1520	1.00	1,756	2,135	46,973	55,724
SECRETARY II	1446	1.00	1,271	1,540	34,000	40,200
PREMIUM PAY					1,158	1,158
OVERTIME					2,852	3,372
TOTAL CITY SALARY COSTS		18.00			983,612	1,166,565
EMPLOYEE BENEFITS						
VARIABLE BENEFITS(2)					176,362	209,165
FIXED BENEFITS (3)					76,068	76,068
TOTAL EMPLOYEE BENEFITS					252,430	285,233
OTHER EXPENSES (4)					72,512	72,512
TOTAL CITY COSTS					1,308,554	1,524,310
CURRENT CONTRACT AMOUNT					1,291,194	1,291,194
ESTIMATED TOTAL COMPENSATION ADJUSTMENT (5)					72,336	72,336
TOTAL ESTIMATED CONTRACT COSTS					1,363,530	1,363,530
ESTIMATED DIFFERENCE					(54,976)	160,780

Comments/Assumptions:

1. These services have been contracted out since 1979.
2. The variable fringe benefit rate includes employee retirement pick-ups.
3. The fixed fringe benefit rate includes rates for health and dental, as well as an estimated amount for the City's portion of health service dependant coverage.
4. The estimated contract costs assumes the base year level of services at 18 FTE without the addition of MOU analysis.
5. The current contract for budget analyst services includes a provision that the contract will be adjusted "based on the average annual percentage increase in total compensation granted through salary standardization or collective bargaining ... to miscellaneous employees performing work similar to that provided by the Budget Analyst." Our estimate for this provision of approximately 5.6% is based on the average percentage increase for Local 21.

CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Board of SupervisorsCONTRACT SERVICES: Budget AnalystCONTRACT PERIOD: July 1, 1996 through June 30, 1997

- (1) Who performed activity/service prior to contracting out?

Bureau of the Budget

- (2) Number of City employees laid off as a result of contracting out?

None

- (3) Explain disposition of employees if they were not laid off?

Two were transferred to Other City Departments; balance resigned in order to be hired by the Contractor.

- (4) What percentage of City employee's time is spent on services to be contracted out? All Bureau of the Budget positions were full-time

- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

17 years, since January 1, 1979.

- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

FY 1978-79

Yes

- (7) How will contract services meet the goals of your MBE/WBE Action Plan?

Contract services are consistent with the Board of Supervisor Department MBE/WBE Action Plan.

- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?

No.

Yes, the Contractor does provide Health Insurance for its employees

Department Representative: John TaylorTelephone Number: 554-5184

Item 4- File 64-96-10

Department: Department of Real Estate (DRE)
Department of Public Health (DPH)

Item: Resolution authorizing a new lease of real property at 635 Potrero Avenue for the Department of Public Health.

Location: 635 Potrero Avenue

Purpose of Lease: Space for San Francisco General Hospital's AIDS and Oncology Program

Lessor: George Herbst

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 3,000 Square Feet, at a rental cost of \$3,600 per month, or approximately \$1.20 per square foot per month.

Annual Cost: \$43,200

% Increase over 1995-96: New lease

Term of Lease: September 1, 1996 to August 30, 2001 (five years), pending the completion of tenant improvements to the proposed site (see comment Number 1).

Utilities and Janitor Provided by Lessee: Utilities, janitorial and maintenance services will be paid by the City, and utilities are estimated to cost \$1,500 per year, or approximately \$0.50 per square foot per year.

Right of Renewal: The City will have the option to renew for two five year periods.

Source of Funds: Included in the DPH FY 1996-97 Budget.

Description: The proposed resolution would authorize the Real Estate Department to enter into a new lease for a space at 635 Potrero Avenue, to relocate a portion the education and training unit of the San Francisco General Hospital's AIDS and Oncology Program. The education and training unit of the AIDS and Oncology Program with 16 employees currently occupies Ward 86 Building 80 at San Francisco General Hospital. Mr. Dunn also advises that the education and training unit of the AIDS and Oncology

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Program has increased its level of service provision, and the available space at Ward 86 is no longer sufficient. In addition, Mr. Dunn states that the space at Ward 86 in Building 80, that would be vacated by the AIDS and Oncology Program, education and training unit, will be used to increase direct clinical AIDS services.

Comments:

1. Improvements to the space are anticipated to be completed on or about September 1, 1996 and would be paid for by the lessor, George Herbst, at an estimated cost \$10 per square foot, or a total estimated cost of \$30,000.
2. Mr. Dunn advises that the proposed rent represents fair market value.

Recommendation: Approve the proposed resolution.

Memo to Government Efficiency and Labor Committee
July 9, 1996 Government Efficiency and Labor Committee Meeting

Item 5 - File 64-96-11

Department: Department of Real Estate (DRE)
Department of Public Health (DPH)

Item: Resolution authorizing renewal and extension of a lease of real property at 3450 Third Street, Building A-1, for the Comprehensive Child Crisis Service unit of the Department of Public Health.

Location: 3450 Third Street, Building A-1

Purpose of Lease: Office, parking and storage for the Comprehensive Child Crisis Service

Lessor: Georgia Greiner

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 6,678 Square Feet of office space, at a rental cost of \$7,600 per month, or \$1.14 per square foot per month. An additional 4,009 square feet of parking and storage space is included in the lease at no additional cost to the City.

Annual Cost: \$91,200

% Decrease from 1995-96: 10.8 percent decrease because of reduction in monthly rent paid from \$8,523.13 per month to \$7,600 per month

Term of Lease: July 1, 1996 (or upon approval by the Board of Supervisors) through June 30, 2001 (five years)

Utilities and Janitor Provided by Lessor: Electricity, estimated to cost \$200 per month, or \$2,400 annually, will be separately metered and paid by the City. All other services to the building will be provided by the lessor.

Right of Renewal: None

Source of Funds: Included in the Department of Public Health's (DPH) FY 1996-97 Budget

Description: The proposed resolution would authorize the Department of Real Estate to enter a renewal and extension of a lease for the office, parking and storage space at 3450 Third Street,

BOARD OF SUPERVISORS
BUDGET ANALYST

Building A-1, at the southwest corner of Arthur Avenue, for the use of the Comprehensive Child Crisis Service Program.

The premises have been leased by the City since 1991 for the use of the DPH. The Department of Social Services (DSS) occupies a portion of the premises under terms of a Memorandum of Understanding with DPH in order to provide administrative, clinical and counseling services in cooperation with the DPH Comprehensive Child Crisis Service Program.

Comments:

1. The existing lease for the subject property includes a renewal option. However, the subject resolution would amend the existing lease to reflect the new rental term, rather than simply exercising the renewal option. The key amendments would:

- * Change the term of the lease to extend from July 1, 1996 to June 30, 2001 as noted above.
- * Lower the monthly lease rate from \$8523.13 per month to \$7,600 per month.
- * Add current standard DRE lease provisions regarding termination rights, eminent domain, remedies for default, indemnities, insurance requirements, hazardous materials, Tropical Hardwood Ban and Burma Business Prohibition.

2. Mr. Harry Quinn states that the proposed resolution should be amended to refer in all places to Building A-1, rather than Building 1-A.

3. Mr. Quinn advises that the proposed rent represents fair market value for the property.

Recommendation:

1. Amend the proposed resolution to refer in all places to Building A-1, rather than Building 1-A.
2. Approve the proposed resolution as amended.

Memo to Government Efficiency and Labor Committee
July 9, 1996 Government Efficiency and Labor Committee Meeting

Item 6- File 64-96-12

Department: Department of Real Estate (DRE)
Police Department (SFPD)

Item: Resolution authorizing a revocable license agreement for lease of property at 450 Seventh Street, for the Police Department.

Location: 450 Seventh Street

Purpose of Lease: Parking of Police Department vehicles for 92 spaces

Lessor: General Services Administration (GSA)

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 29,400 Square Feet at a rental cost of \$4,048 per month, or approximately \$0.14 per square foot per month.

Annual Cost: \$48,576

% Increase over 1995-96: None

Term of Lease: 12 months, from July 1, 1996 to June 30, 1997

Utilities and Janitor Provided by Lessor: Paid by lessor, the General Services Administration (GSA)

Right of Renewal: None, revocable license

Source of Funds: Included in Police Department's FY 1996-97 Budget

Description: The proposed resolution would authorize the Real Estate Department to enter into a revocable license agreement with the General Services Administration, as licensor, at 450 Seventh Street, for the use of 92 parking spaces for Police Department vehicles. The Police Department has occupied these premises since July 1, 1986, under identical one-year revocable license agreements.

Comments: 1. The Board of Supervisors approved a similar agreement for FY 1994-95 (File 64-94-16). Ms. Claudine Venegas of the Department of Real Estate (DRE) states that due to an oversight by the GSA, the DRE never received a completed document from GSA for the FY 1995-96 agreement. The

BOARD OF SUPERVISORS
BUDGET ANALYST

SFPD paid rent for this space on a hold-over, month-to-month basis during FY 1995-96.

2. The Board of Supervisors will not have the opportunity to approve the proposed resolution until after the July 1, 1996 start date of the agreement. Therefore, the proposed resolution should be amended to provide for ratification of action previously taken.

Recommendation: Amend the proposed resolution to provide for ratification of action previously taken and approve the proposed resolution, as amended.

Item 7 - File 93-96-18.1

Department: Human Resources Department

Item: Ordinance amending Ordinance No. 176-96 to correct clerical errors by adopting and implementing the provision of Amendment Number 1 to the Memorandum of Understanding between Operating Engineers, Local 3, bargaining for Supervising Probation Officers, and the City, to be effective from July 1, 1996 through June 30, 1997.

Description: The Board of Supervisors previously approved an ordinance implementing the provisions of a Memorandum of Understanding (MOU) between Operating Engineers, Local 3, bargaining for Supervising Probation Officers, and the City (File 93-96-18).

The proposed ordinance would amend this MOU to correct a clerical error. One sentence, which states "Each signatory union shall continue to receive two (2) paid furlough days", was inadvertently omitted from a provision in the MOU regarding paid furlough days.

Comment: According to Ms. Vicki Rambo of the Employee Relations Division (ERD) of the Department of Human Resources, the proposed amendment to the existing MOU with Operating Engineers, Local 3, for Supervising Probation Officers, would have no fiscal impact since it is a clerical correction and because information regarding the fiscal impact of the MOU provision which would be amended by the subject ordinance was submitted to the Board of Supervisors at the time the MOU was originally ratified.

Recommendation: Approve the proposed ordinance.

Item 8 - File 172-96-21

Department: Department of Public Health (DPH)
Childhood Lead Prevention Program

Item: Resolution authorizing the Director of Health to execute an agreement, which includes a mutual indemnification provision, with the San Francisco Community College District to provide educational services for the Department of Public Health's Lead Prevention Program.

Description: The proposed resolution would authorize an agreement between the Department of Public Health (DPH) and the San Francisco Community College District (SFCCD) for SFCCD to provide educational services for DPH's Childhood Lead Prevention Program. According to Mr. John Cooper of the City Attorney's Office, because this agreement includes a mutual indemnification clause, the agreement must be approved by the Board of Supervisors.

Under the proposed agreement, SFCCD would provide the following services to DPH:

- develop nine fact sheets, written in English and translated into Chinese and Spanish, which contain information on interim and permanent remediation of lead hazards on specific building components;
- conduct a four-hour lead awareness training session for each of five groups of SFCCD custodial students, emphasizing lead-specific cleaning skills to students entering the custodial or cleaning profession through SFCCD's vocational training program; and
- perform outreach to SFCCD students in the environmental technology and contractor certification programs.

The amount of the proposed agreement is \$49,340, payable by DPH to SFCCD. The Attachment shows the cost details for the contract amount of \$49,340. The term of the agreement is retroactive to May 24, 1996 through December 31, 1996. DPH reports that the source of funds for this contract are State grant funds for the Childhood Lead Prevention Program previously approved by the Board of Supervisors.

The proposed agreement contains the following mutual indemnification clause:

BOARD OF SUPERVISORS
BUDGET ANALYST

"Each party agrees that it shall indemnify and hold harmless the other party against any and all suits, claims, liabilities, losses, damages, costs and expenses incurred by the other party arising from personal or bodily injuries, property damage or otherwise that may arise for any reason from or during the term of this agreement as a result of the negligence or willful misconduct of the indemnifying party."

Comments:

1. Mr. Cooper reports that he has reviewed the mutual indemnification clause contained in the proposed agreement and advises that it presents no significant risks to the City relative to the services to be provided.
2. Because the term of the proposed agreement is retroactive to May 24, 1996, the proposed resolution should be amended to provide for retroactivity.

- Recommendations:**
1. Amend the proposed resolution to provide for retroactivity.
 2. Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors.

Budget

A. Materials Production

Development

9 Fact Sheets Development	60 hours x \$110 =	\$ 6,600
Editing	80 hours x \$110 =	\$ 8,800
<u>Graphic Design/ Illustration</u>	60 hours x \$110 =	\$ 6,600

Subtotal = \$22,000

Transition

Chinese	\$80/page x 36 pages = \$2,880
<u>Spanish</u>	<u>\$80/page x 36 pages = \$2,880</u>

Subtotal = \$ 5,760

B. Custodial Training

Curriculum Development	20 hours x \$110	= \$2,200
Instruction	13 classes x 4 hrs/class x \$110	= \$5,720
Books	420 students x \$8 each	= \$3,360
<u>Supplies</u>	420 students x \$5 each	<u>= \$2,100</u>

Subtotal = \$13,380

C: Project Management/Outreach

Coordination	50 hours x \$100/hr	= \$5,000
Field Testing	80 hours x \$ 40/hr	= \$3,200

Subtotal = \$8,200

TOTAL = \$49,340

Item 9 - File 146-96-6.1

Department: Department of Public Health (DPH)
Community Substance Abuse Services (CSAS)

Item: Request to release reserved funds in the amount of \$44,000 for the Target Cities Project, consisting of \$20,000 for psychiatric services and \$24,000 for coordination services for the Faith Initiative.

Amount: \$44,000

Source of Funds: Federal Department of Health and Human Services (DHHS), Center for Substance Abuse Treatment (CSAT) through the State of California, Department of Alcohol and Drug Programs.

Project: Federal Target Cities Project

Description: The Community Substance Abuse Services (CSAS) Target Cities Project is a project designed to develop an effective and comprehensive substance abuse service system in San Francisco by creating a centralized substance abuse treatment site that will provide both services and referrals for substance abusers. The Target Cities Project is being funded by Federal CSAT grant monies in the amount of approximately \$11 million, to be distributed to the Department of Public Health (DPH) over a five-year period from September 1, 1993 through August 31, 1998.

The Board of Supervisors previously approved a resolution authorizing the DPH to accept and expend an augmentation grant of up to \$1,262,373 for the Target Cities Project in order to increase its original allocation of approximately \$2.5 million for FY 1995-96 (File 146-96-6). Of the augmentation grant of \$1,262,373, \$129,740 was placed on reserve pending the selection of contractors/consultants, the MBE/WBE status of the contractors/consultants and the submission of budget details.

DPH is now requesting the release of \$44,000 for consulting services, which would be expended as follows:

Psychiatric Services (\$20,000)

The Department has selected Dr. Pablo Stewart to provide psychiatric services for the Target Cities Project. Dr. Larry Meredith, Director of CSAS, advises that Dr. Stewart was selected through an informal selection process, based on his expertise in mental health and substance abuse, and for his

knowledge of the Target Cities Project and the substance abuse and mental health treatment systems in the City.

Dr. Meredith advises that the Department entered into a Memorandum of Understanding with Dr. Stewart for an amount of \$20,000 for the period beginning May 1, 1996 through September 30, 1996 (see Comment No. 2). Dr. Stewart will provide 160 hours of services at \$125 per hour, including clinical presentations and training, clinical advice and consultation, and a review of clinical protocols. Dr. Stewart is not a certified MBE or WBE firm.

Faith Initiative (\$24,000)

DPH is requesting that \$24,000 be released from reserve to develop a Faith Initiative in the City. The purpose of the Faith Initiative is to link substance abuse services to San Francisco's religious organizations. This request of \$24,000 would pay for the services of Mr. Timothy Dupre (\$2,100) and the Japanese Community Youth Council (\$21,900).

Dr. Meredith advises that DPH selected Mr. Dupre on a sole-source basis to assist in implementing the Faith Initiative due to his experience in uniting faith communities in addressing substance abuse issues. Mr. Dupre will provide up to 105 hours of service at \$20 per hour for a total of \$2,100. Mr. Dupre is not a certified MBE or WBE firm.

In addition, Dr. Meredith advises that DPH selected the Japanese Community Youth Council, a non-profit agency, through a Request for Proposal (RFP) process to provide services for the implementation of the Faith Initiative. Dr. Meredith advises that although the Department advertised in four local newspapers, the Japanese Community Youth Council was the only agency that submitted a proposal. Nonetheless, Dr. Meredith advises that a panel determined that the Japanese Community Youth Council met all the criteria designated in the RFP to provide the required services.

The services to be provided by the Japanese Community Youth Council include (a) coordinating monthly Faith Advisory Group meetings; (b) gathering and organizing relevant information and developing a database directory of the faith communities involved with substance abuse treatment and prevention; (c) developing and coordinating training for faith communities; and (d) providing technical assistance to faith communities on issues related to substance abuse and prevention. The amount of the contract with the Japanese Community Youth Council is \$30,300. Of

this contract amount, \$21,900 would be funded by the subject release of reserved funds and \$8,400 would be paid for with previously appropriated augmentation grant funds. Attachment I, provided by CSAS, shows the cost details for \$30,300 contract with the Japanese Community Youth Council.

Comments:

1. Under the terms of the FY 1995-96 Target Cities grant in the amount of \$3,762,373 (consisting of the original allocation of \$2.5 million plus the augmentation grant of \$1,262,373), up to 25 percent or \$940,593 may be used to provide direct treatment services to persons with substance abuse problems. However, when the Board of Supervisors initially approved the legislation authorizing DPH to apply for the augmentation grant, two conditions were imposed upon DPH for the use of grant augmentation funds in order to increase the amount of grant funds which could be used to provide direct treatment services. These two conditions were as follows:

- The Director of Public Health must seek permission to use an additional 15 percent of the augmentation funds, or an additional \$189,356 (15 percent of \$1,262,373), for direct treatment services, subject to approval by the Federal Department of Health and Human Services (DHHS); and
- The Director of Public Health must attempt to obtain a "special needs" waiver from DHHS to increase the portion of the Target Cities grant available for direct treatment services.

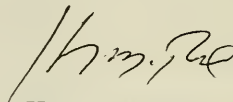
Dr. Meredith advises that expenditures have not yet been incurred against the Target Cities augmentation grant, pending a decision from DHHS regarding the use of augmentation grant funds for additional direct treatment services and the removal of the two above conditions placed upon DPH by the Board of Supervisors. DPH advises that Dr. Hernandez, Director of Public Health, submitted a letter to DHHS requesting permission to use an additional 15 percent of the grant augmentation funds for direct treatment services and requesting a "special needs" waiver to increase that portion of the Target Cities grant funds available for direct treatment services. Attachment II is a letter from Mr. David Mactas, Director of the Center for Substance Abuse Treatment of the Federal Department of Health and Human Services, who has denied the requests of DPH.

According to Dr. Meredith, given that DPH's requests have been denied by DHHS, DPH is now requesting that the

conditions imposed by the Board of Supervisors on DPH to allocate an additional 15 percent of the augmentation funds for direct treatment services be removed. If these conditions are removed, Dr. Meredith advises that the grant augmentation funds will be expended for the purposes such funds were originally budgeted, as previously reported to the Board of Supervisors (File 146-96-6). Additionally, DPH advises that, of the \$3,762,373 in Target Cities grant funds, approximately \$750,000 or 20 percent will be used to provide direct treatment services, which is in accordance with the terms of the grant.

2. As previously noted, the MOU with Dr. Pablo Stewart to provide psychiatric services for the Target Cities Project commenced on May 1, 1996. However, according to DPH, no expenditures have been incurred against the subject release of reserved funds.

Recommendation: Approval of this request is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Yaki
Supervisor Katz
President Shelley
Supervisor Alioto
Supervisor Bierman
Supervisor Brown
Supervisor Hsieh
Supervisor Kaufman
Supervisor Leal
Supervisor Teng
Clerk of the Board
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

JCYCFaith Initiative Budget
May 1, 1996 - September 30, 1996

<u>Line Item</u>	<u>Amount</u>
Program Coordinator salary	\$12,280
Clerical support salary	1,500
Fringe @ 25%	<u>3,445</u>
Subtotal - Salaries/Benefits	\$17,225
Utilities	\$ 300
Office Supplies, Postage	1,500
Printing and Reproduction	1,000
Staff Travel	500
Program Supplies	120
Facilities Rent/Training meeting expense	<u>6,400</u>
Subtotal - Operating Expenses	\$ 9,820
Indirect Costs (12%)	<u>\$ 3,255</u>
Total	<u>\$30,300</u>



DEPARTMENT OF HEALTH & HUMAN SERVICES

Attachment II

Public Health Service

Substance Abuse and Mental
Health Services Administration
Rockville MD 20857

APR 25 1996

RECEIVED
MAY 2 1996
DIRECTORS OFFICE

Sandra R. Hernández, M.D.
Director
Department of Public Health
101 Grove Street
San Francisco, California 94102

Dear Dr. *Sandra* Hernández:

Thank you for your letter of April 1 in which you request approval for a waiver to allow the San Francisco Target Cities Project to fund direct treatment services above the current 25 percent limit.

The Target Cities Project is funded as a demonstration project designed to support the development and evaluation of program models for possible dissemination to other sites. The enabling legislation, P.L. 102-321, section 501, clearly states that the Substance Abuse and Mental Health Services Administration shall improve treatment, prevention, and related services, not merely support their delivery. The major long-term benefit to be gained from our demonstration funds is to discover what works and how to deliver effective services better, not in making a small addition to the amount of treatment services which are delivered.

Funding additional treatment services is, therefore, not an appropriate use of Target Cities demonstration funds. We regret that we are unable to approve your request since we are facing a future in which we will have to maximize the impact of limited Federal fiscal resources. We will continue to do our best for those in need and all those who work so hard to serve and help them.

Sincerely,

David

David J. Mactas
Director
Center for Substance Abuse Treatment

MINUTES

REGULAR MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JULY 9, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ

ABSENT: SUPERVISOR KATZ FOR ALL ITEMS EXCEPT #11 & #12 DOCUMENTS DEPT.

CLERK: MARY L. RED

FEB 11 1997

TIME MEETING CONVENED 1:00 P.M.

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PUBLIC LIBRARY

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine, and will be acted upon by a single roll call vote. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed and considered as a separate item.
 - (a) File 130-96-1. [Grant - State, Adult Probation Drug Abatement] Resolution authorizing the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$180,774 which includes indirect costs in the amount of \$9,039 based on five percent of the total project, made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Adult Probation's Drug Abatement Project". (Supervisor Alioto)
 - (b) File 132-96-2. [Grant-Art Commission] Resolution authorizing the San Francisco Art Commission to retroactively apply for, accept and expend \$20,000 of California Art Council Grant Funds to implement a new Collaborative Arts Education Project in Latin American Arts & Culture in partnership with the Mission Cultural Center for Latino Arts and five schools of the SFUSD, waiving the 2% associated indirect costs. (Supervisors Yaki, Leal, Alioto)
 - (c) File 138-96-6. [Grant - State, Drug Abatement Project] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept, and expend funds in the amount of \$317,421.00 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco District Attorney's Drug Abatement Project", for the twelve month period July 1, 1996 through June 30, 1997. (Supervisor Alioto)
 - (d) File 138-96-7. [Grant, Major Narcotic Vendors Prosecution Program] Resolution authorizing the District Attorney of the City and County of San Francisco to apply for, accept, and expend funds in the amount of \$135,501.00 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco District Attorney's Office Major Narcotic Vendors Prosecution Program", for the twelve month period July 1, 1996 through June 30, 1997. (Supervisor Alioto)

- (e) File 143-96-2. [Grant - State, Anti-Drug Abuse Enforcement Program] Resolution authorizing the Chief of Police of the City and County of San Francisco to retroactively apply for, accept and expend funds in the amount of One Hundred Fifty-One Thousand Five Hundred Ninety-Four Dollars (151,594.00), which includes indirect costs of Seven Thousand Five Hundred Eighty Dollars (\$7,580.00), based upon five percent (5%) of the total grant award, and One-Thousand Five Hundred Dollars (\$1,500.00) for audit costs, for continual funding for a project entitled "Anti-Drug Abuse Enforcement Program". (Supervisor Alioto)

ACTION: Items 1a, 1c, and 1d were severed from consent calendar; remaining items RECOMMENDED.

- (a) File 130-96-1. Hearing held. Amended to allow the Department to retroactively apply for, accept and expend funds. New title: "Authorizing retroactively, the Chief Adult Probation Officer of the City and County of San Francisco to apply for, accept and expend funds in the amount of \$180,774 which includes indirect costs in the amount of \$9,039 based on five percent of the total project, made available through the Office of Criminal Justice Planning for a project entitled "San Francisco Adult Probation's Drug Abatement Project." RECOMMENDED AS AMENDED.
- (c) File 138-96-6. Hearing held. Amended to allow the Department to retroactively apply for, accept and expend funds. New title: "Authorizing retroactively, the District Attorney of the City and County of San Francisco to apply for, accept, and expend funds in the amount of \$317,421.00 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco District Attorney's Drug Abatement Project", for the twelve month period July 1, 1996 through June 30, 1997." RECOMMENDED AS AMENDED.
- (d) File 138-96-7. Hearing held. Amended to allow the Department to retroactively apply for, accept and expend funds. New title: "Authorizing retroactively, the District Attorney of the City and County of San Francisco to apply for, accept, and expend funds in the amount of \$135,501.00 made available through the Office of Criminal Justice Planning for a project entitled "San Francisco District Attorney's Office Major Narcotic Vendors Prosecution Program", for the twelve month period July 1, 1996 through June 30, 1997." RECOMMENDED AS AMENDED.

REGULAR CALENDAR

2. File 172-96-17. [State Child Care Contract] Resolution authorizing the execution of a contract between the City and County of San Francisco and the State of California Department of Education in the amount of \$128,167 for participation by the City and County in the State's Child Care and Development Program for fiscal year 1995-96. (Department of Social Services) (Continued from 6/25/96)

SPEAKERS: Michelle Byrd, Dept. Social Services.

ACTION: Hearing held. Amended to change amount from "\$128,167" to "\$130,047" and to allow the Department to retroactively execute the contract. New title: "Authorizing retroactively, the execution of a contract between the City and County of San Francisco and the State of California Department of Education in the amount of \$130,047 for participation by the City and County in the State's Child Care and Development Program for fiscal year 1995-96." RECOMMENDED AS AMENDED.

3. File 25-96-13. [Prop J Contract, Budget Analyst Services] Resolution concurring with the Controller's certification that services of the Budget Analyst can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Clerk of the Board)

SPEAKERS: John Madden, Controller.

ACTION: RECOMMENDED.

4. File 64-96-10. [Lease of Property at 635 Potrero Avenue] Resolution authorizing lease of real property at 635 Potrero Avenue for the Department of Public Health. (Real Estate Department)

SPEAKERS: Toni DeLucchi, Real Estate; Supervisor Yaki.

ACTION: RECOMMENDED.

5. File 64-96-11. [Extension and Renewal of Lease] Resolution authorizing renewal and extension of a lease of real property at 3450 Third Street, Building 1-A, San Francisco, for the comprehensive child crisis service of the Department of Public Health. (Real Estate Department)

SPEAKERS: Toni DeLucchi, Real Estate.

ACTION: Hearing held. Amended to correct "1-A" to "A-1". New title: "Authorizing renewal and extension of a lease of real property at 3450 Third Street, Building A-1, San Francisco, for the comprehensive child crisis service of the Department of Public Health." RECOMMENDED AS AMENDED.

6. File 64-96-12. [Lease of Property at 450 Seventh Street] Resolution authorizing a revocable license agreement for lease of property at 450 Seventh Street for the Police Department. (Real Estate Department)

SPEAKERS: Toni DeLucchi, Real Estate.

ACTION: Hearing held. Amendment of the Whole reflecting amendments to provide for ratification of actions previously taken; adopted. New title: "Authorizing a revocable license agreement for lease of property at 450 Seventh Street for the Police Department, providing for ratification of actions previously taken." RECOMMENDED AS AMENDED.

7. File 93-96-18.1. [MOU, Local 3, Amendment No. 1] Ordinance amending Ordinance No. 176-96 to correct clerical errors by adopting and implementing the provision of Amendment Number 1 to the Memorandum of Understanding between the Operating Engineers, Local 3 bargaining for Supervising Probation Officers and the City and County of San Francisco to be effective July 1, 1996 through June 30, 1997. (Department of Human Resources)

SPEAKERS: Supervisor Ammiano.

ACTION: RECOMMENDED.

8. File 172-96-21. [Mutual Indemnification Agreement, SFCCD/DPH] Resolution authorizing the Director of Health to execute an agreement, including mutual indemnification, with the San Francisco Community College District, in regard to an agreement to provide educational services for the Department of Public Health's Childhood Lead Prevention Program. (Department of Public Health)

SPEAKERS: Larry Meredith, Dept. Public Health.

ACTION: Hearing held. Amended to provide for retroactivity. New title: "Authorizing retroactively, the Director of Health to execute an agreement, including mutual indemnification, with the San Francisco Community College District, in regard to an agreement to provide educational services for the Department of Public Health's Childhood Lead Prevention Program." RECOMMENDED AS AMENDED.

9. File 146-96-6.1 [Reserved Funds, Department of Public Health] Hearing to consider release of reserved funds, Department of Public Health (Federal grant for substance abuse treatment), in the amount totaling \$44,000 (Psychiatric services \$20,000, and coordination services for the Faith Initiative \$24,000), for Target Cities Project. (Department of Public Health)

SPEAKERS: Larry Meredith, Dept. Public Health; Supervisor Yaki.

ACTION: Hearing held. Consideration continued to July 23.

10. File 97-96-37. [Colorado Product Ban Repeal] Ordinance amending Administrative Code by repealing Article XXI, Section 10.240 through Section 10.247, to remove restrictions prohibiting the City from purchasing any commodity manufactured or produced in the State of Colorado. (Supervisors Ammiano, Alioto, Bierman)

SPEAKERS: Supervisor Ammiano.

ACTION: RECOMMENDED.

VOTE ON ALL ITEMS LISTED ABOVE 2-0.

11. File 32-96-1.1. [TCI Viacom] Hearing to consider TCI Viacom. (Supervisors Ammiano, Alioto)

SPEAKERS: Supervisor Ammiano; John Marks, V.P. Cable Northern CA.; Supervisor Katz; Supervisor Bierman; Supervisor Yaki; Lee Perron, TCI; Supervisor Shelley; Valerie Castellana, TCI; Zane Blaney, Channel 54; Roberto Esteves, Library; Carole Roberts, TCI.
Deann Borshay, NAATA; Chris Witteman, Attorney at Law; Sam Dederian, S.F.U.S.D; Sybil Boutilier, Telecommunication Policy Committee; John Stout; Steve Zeltzer, Labor Cable Show; Michael Cousins; Tony Gallardo; Carl Bryant, Channel 53; Sylvia Siegel; Dennis Mangler; Vicki Swicky; Brian Tench; Sandy Mac; Brigardo Grove; Lonnie Eng; Jessie Drew; Herb Kaplan; Michael Freeman, Channel 54; Kathleen Schuler; Martha Wainer;; Juanita Rieloff; Ann Etheridge, Video Coalition; Daniel del Solar; Starr Wilson; Joe Sowers; Aline Dinoia, Sasha McGee; Tony Allen; Jud Presmont; Mark Kliem; George Gaboury; Randall Wilson, City Visions; Raeline Warren; Bllue Lu; Luwanda Plunket; Florence Dore

ACTION: Hearing held. FILED.

VOTE 3-0

12. File 32-96-1.2. [Viacom/TCI Operations in San Francisco] Hearing to consider Viacom's performance as cable television operation in San Francisco and TCI's performance as cable television operator in other jurisdictions and plans for service to San Francisco on issues including subscriber rates and installation charges; upgrade plans; support for public, education and government access programming and management of the public access channel; leased access availability and employment practices. (Supervisors Bierman, Alioto)

SPEAKERS: Supervisor Ammiano; John Marks, V.P. Cable Northern CA.; Supervisor Katz; Supervisor Bierman; Supervisor Yaki; Lee Perron, TCI; Supervisor Shelley; Valerie Castellana, TCI; Zane Blaney, Channel 54; Roberto Esteves, Library; Carole Roberts, TCI.
Deann Borshay, NAATA; Chris Witteman, Attorney at Law; Sam Dederian, S.F.U.S.D; Sybil Boutilier, Telecommunication Policy Committee; John Stout; Steve Zeltzer, Labor Cable Show; Michael Cousins; Tony Gallardo; Carl Bryant, Channel 53; Sylvia Siegel; Dennis Mangler; Vicki Swicky; Brian Tench; Sandy Mac; Brigardo Grove; Lonnie Eng; Jessie Drew; Herb Kaplan; Michael Freeman, Channel 54; Kathleen Schuler; Martha Wainer;; Juanita Rieloff; Ann Etheridge, Video Coalition; Daniel del Solar; Starr Wilson; Joe Sowers; Aline Dinoia, Sasha McGee; Tony Allen; Jud Presmont; Mark Kliem; George Gaboury; Randall Wilson, City Visions; Raeline Warren; Bllue Lu; Luwanda Plunket; Florence Dore

ACTION: Hearing held. FILED.

VOTE 3-0

LITIGATION:

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

13. File 45-96-37. [Shaffer v. CCSF] Ordinance authorizing settlement of litigation of Shaffer v. City and County of San Francisco and the City's sale of Assessor's Block 4093, Lot 92. (Superior Court No. 881-639). (City Attorney)

ACTION: RECOMMENDED.

14. File 45-96-38. [Scott Maynard v. CCSF et al.] Ordinance authorizing settlement of litigation of Scott Maynard against the City and County of San Francisco by payment of \$262,500. (U.S. District Court Case No. C-95-04506 WHO). (City Attorney)

ACTION: RECOMMENDED.

15. File 45-96-39. [Settlement of Union Grievance] Ordinance authorizing settlement of the union grievance filed by SEIU, Local 790 on behalf of Carolyn Jeffrey regarding her termination from the Department of Public Health – General Hospital, by payment of \$14,217.33. (City Attorney)

ACTION: RECOMMENDED.

16. File 46-96-9. [CCSF v. Donna E. Shalala] Ordinance authorizing settlement of litigation of City and County of San Francisco against Donna E. Shalala, Secretary of Health and Human Services, for additional Medicare reimbursement. (U.S. District Court Case No. C95-4150 MHP). (City Attorney)

ACTION: RECOMMENDED.

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the proposed settlements listed above at this time and may move not to disclose any information at this time.

VOTE ON LITIGATION 2-0.

TIME MEETING ADJOURNED 5:30 P.M.

SF

S90.31

#1

7/9/96

Special

CALENDAR

GOVERNMENT EFFICIENCY & LABOR COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

DOCUMENTS DEPT.

* SPECIAL CALENDAR

JUL 03 1996

SAN FRANCISCO
PUBLIC LIBRARY

TUESDAY, JULY 9, 1996, 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVENUE, ROOM 410

MEMBERS: Supervisors Tom Ammiano, Michael Yaki, Leslie Katz

CLERK: Mary Red

* * * * *

Disability Access

Both the Committee Room (Room 410) and the Chamber (Room 404) are wheelchair accessible. The closest accessible BART Station is Civic Center, four blocks from the Veterans Building. Accessible MUNI lines serving this location are: #42 Downtown Loop and the #71 Haight/Noriega and the F Line to Market and Van Ness and the METRO stations at Van Ness and Market and at Civic Center. For more information about MUNI accessible services, call 923-6142.



There is accessible parking in the vicinity of the Veterans Building adjacent to Davies Hall and the War Memorial Complex.



Assistive listening devices are available for use in the Meeting Room and the Board Chamber. A device can be borrowed prior to or during a meeting. Borrower identification is required and must be held by Room 308 staff.

The following services are available on request 48 hours prior to the meeting or hearing:

For American sign language interpreters or the use of a reader during a meeting, contact Violeta Mosuela at (415) 554-7704.

For a large print copy of an agenda, contact Moe Vazquez at (415) 554-4909.

In order to assist the City's efforts to accommodate persons with severe allergies, environmental illness, multiple chemical sensitivity or related disabilities, attendees at public meetings are reminded that other attendees may be sensitive to various chemical based products. Please help the City to accommodate these individuals.

Government's duty is to serve the public, reaching its decisions in full view of the public. Commissions, boards, councils and other agencies of the City and County exist to conduct the people's business. The Sunshine Ordinance assures that deliberations are conducted before the people and that City operations are open to the people's review. For more information on your rights under the Sunshine Ordinance (Chapter 67 of the San Francisco Administrative Code) or to report a violation of the ordinance, contact the Sunshine Ordinance Task Force at 554-6075.

C A L E N D A R

SPECIAL MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, JULY 9, 1996 – 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

MEMBERS: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ

CLERK: MARY L. RED

1. File 64-96-9. [Lease of Property at 760 Harrison Street] Resolution authorizing a lease of real property at 760 Harrison Street, San Francisco, for the South of Market Mental Health Service Clinic of the Mental Health Division of Department of Public Health. (Also see File 29-96-1). (Department of Public Health)

ACTION:

GOVERNMENT EFFICIENCY & LABOR COMMITTEE
BOARD OF SUPERVISORS
VETERANS BUILDING
401 VAN NESS AVENUE, ROOM 308
SAN FRANCISCO, CA 94102

IMPORTANT
HEARING NOTICE

0.31
CITY AND COUNTY



OF SAN FRANCISCO

7/96
27
BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

July 5, 1996

DOCUMENTS DEPT.

JUL 10 1996

SAN FRANCISCO
PUBLIC LIBRARY

TO: ≡ Government Efficiency and Labor Committee

FROM: ≡ Budget Analyst *Recommended for meeting of*

SUBJECT: July 9, 1996 Government Efficiency and Labor Committee

Item 1 - File 64-96-9

Department: Department of Public Health (DPH)
Real Estate Department

Item: Resolution authorizing a new lease of real property at 760 Harrison Street for the South of Market Mental Health Service Clinic.

Location: 760 Harrison Street (entire two story building)

Purpose of Lease: South of Market Mental Health Service Clinic

Lessor: Cort Family Living Trust

Lessee: Department of Public Health

No. of Sq. Ft. and Cost Per Month: 13,000 square feet @ approximately \$1.15 per square foot per month, for a total of \$15,000 per month.

Annual Cost: \$180,000 annually, plus \$100,000 in the first year for tenant improvements. (see Comment No. 1)

Term of Lease: The term of the lease will commence upon completion of tenant improvements or upon delivery of a fully executed

lease, whichever is later, and would end June 30, 2007. Based on the estimated commencement date of November 1, 1996, the term of the lease would be approximately ten years and eight months.

Utilities and Janitor

Provided by Lessor: The Lessor would provide for all utilities and janitorial services for the term of the lease, with the exception of increases in utilities and janitorial services over the base year. Payment of such increased costs would be the responsibility of the City and are estimated by the Real Estate Department to be approximately \$100 per month after the base year.

Right of Renewal: Two five-year renewal options, at 95 percent of the fair market value at the time the option is exercised.

Source of Funds: General Fund

Description: The Real Estate Department reports that the proposed lease would provide for expanded facilities for the South of Market Mental Health Service Clinic (SOMMHS). The SOMMHS is one of four centers responsible for serving as an entry point of all client admissions to non-emergency adult community mental health services. The SOMMHS's primary functions are to (1) evaluate clients for admission into the community mental health system based on established admission criteria (the seriously mentally ill are given priority for admission) and (2) assign a staff coordinator to priority target populations to be served. Additionally, SOMMHS offers community-based mental health services, such as individual and group counseling, case management, evaluation for and supervision of medications, and information and referral services. The SOMMHS's primary aim is to serve seriously mentally ill adults who live in the geographic areas of South of Market, the Tenderloin and the Western Addition.

The SOMMHS currently occupies approximately 4,342 square feet of space in a three story unreinforced masonry building located at 471 Jessie Street, at a monthly rent of \$4,362 or \$52,344 annually. According to the Real Estate Department, this building does meet Unreinforced Masonry Building (UMB) standards. Additionally, the Real Estate Department advises that the building is not in compliance with the Americans with Disabilities Act (ADA) because it does not have an elevator and other facilities needed to make it adequately accessible to persons with disabilities.

The proposed lease would provide an additional 8,658 square feet of space for the SOMMHS. The DPH reports that the current site at 471 Jessie Street, which has housed the SOMMHS since 1985, is no longer able to accommodate the client population which has increased from 10 to 30 walk-in clients per day. In addition to these walk-in clients, the DPH advises that scheduled client appointments have increased from approximately 15 clients to 20 clients per day. The DPH reports that in order to serve the increased client case load, the SOMMHS staffing level has been increased by 25, from 13 positions to 38 positions.

According to the DPH, in addition to the existing 38 positions the Department is proposing to house an additional 18 staff positions at the proposed 760 Harrison Street site, in order to consolidate and augment various DPH and community-based mental health service functions, bringing the total positions to be housed at this site to 56. Of the 18 additional staff, seven positions would represent new hires (one Security Guard, two Social Workers, and four Student Intern positions) and eleven positions would be relocated from other sites as follows: (1) three primary care positions from DPH clinics (the specific clinics had not been identified as of the writing of this report), (2) two case manager positions from the DPH's Adult Care Management Program at 1380 Howard Street, and (3) six existing DPH contract positions from community-based mental health service agencies. As of the writing of this report, the DPH advised that four of the six contract positions, which are case manager positions, would come from the Family Service Agency, a non-profit agency, and that the agencies from which the two remaining positions (vocational rehabilitation counselors) would come had not been specifically identified.

Comments:

1. As noted above, the City would pay a lump sum of \$100,000 to the lessor for improvements, at the proposed site. These improvements involve the construction of 39 private counseling offices, averaging 100 sq. ft. each, with a high level of sound insulation to ensure client confidentiality. According to the Real Estate Department, the construction techniques to be used to attain the desired sound insulation increase the cost of wall construction, ceiling installation, electrical installation, mechanical installation and mechanical equipment (larger heating and air-conditioning units are required in order to supply extra air pressure.

Memo to Government Efficiency and Labor Committee
July 9, 1993 Government Efficiency and Labor Committee Meeting

2. The Real Estate Department advises that the proposed monthly rental of \$15,000 represents the fair market value for the rental property.

Recommendation: Approve the proposed resolution.

William D. County
for Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Yaki
Supervisor Katz
President Shelley
Supervisor Alioto
Supervisor Bierman
Supervisor Brown
Supervisor Hsieh
Supervisor Kaufman
Supervisor Leal
Supervisor Teng
Clerk of the Board
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

CITY AND COUNTY



OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

July 19, 1996

DOCUMENTS DEPT.

JUL 23 1996

**SAN FRANCISCO
PUBLIC LIBRARY**

TO: Government Efficiency and Labor Committee

FROM: Budget Analyst

SUBJECT: July 23, 1996 Government Efficiency and Labor Committee Meeting

Item 1a - File 146-96-11

Department: Department of Public Health

Item: Resolution authorizing the Department of Public Health, Community Public Health Services, to apply for retroactively a grant of \$200,000 from the Health Services and Resources Administration for a comprehensive information system for children; providing for ratification of action previously taken.

Grant Amount: \$200,000

Grant Period: October 1, 1996 to September 30, 1997

Source of Funds: U.S. Health Services and Resources Administration (HRSA)

Project: Comprehensive Information System for Children

Description: The Department of Public Health (DPH), Bureau of Children, Youth and Families (part of Community Public Health Services) has applied for this grant from HRSA to establish an integrated information system for childrens services in San Francisco. This project would enable the Bureau to integrate data and information systems from all agencies that serve children in San Francisco, including the

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

Department of Public Health, the Department of Social Services, and the San Francisco Unified School District.

The proposed grant funds would be used for computer equipment, staff, and information systems consultation services. Ms. Mildred Crear of the Department's Bureau of Children, Youth and Families reports that a detailed budget has not been developed at this time.

Required Match: None.

Indirect Costs: Indirect costs of 21 percent are included in the grant.

Comments:

1. The Department advises that a resolution requesting approval to accept and expend these grant funds, including a budget showing cost details, will be submitted to the Board of Supervisors if an award is made by HRSA.
2. The application deadline for this grant was June 17, 1996 and, as such, the DPH has already submitted the grant application to the State. This proposed resolution provides for ratification of action previously taken.
3. Attached is a Summary of Grant Request, as prepared by the Department of Public Health, for the proposed grant funds.
4. The Department of Public Health has prepared a Disability Access Checklist for this proposed grant program, which is on file with the Clerk of the Board.

Recommendation: Approve the proposed resolution.

Grantor: Health Resources & Services Admin. Division: Community Public Health Services
 Contact Person: Russ Scarato Section: Bureau of Children, Youth & Families
 Address: MCH Bureau, HRSA Contact Person: Mildred Crear
 Rm 18-12 Parklawn Bldg., 5600 Fishers Ln. Telephone: 554-9950
 Amount Requested: \$200,000 Application Deadline: 6/17/96
 Term: From 10/1/96 To 9/30/97 Notification Expected: Not known

L. Item Description: Request to (apply for) ~~request~~ request a (new) ~~(continuation)~~ (allocation)
 (Circle or (augmentation) grant in the amount of \$ 200,000 from the period of
 Underline) October 1, 1996 to Sept. 30, 1997 to provide a
comprehensive information system for children. for kids

II. Summary: (Purpose; Funding Year; Target Groups; Services; Providers)

Project will enable the Bureau of Children, Youth and Families to adapt and inte-
 grate data models and information systems in order to create a comprehensive infor-
 mation system for children which would improve the delivery of comprehensive health
 care services to this population. The system would include linking of information
 between agencies: DSS, Education, and Health. Funds will be used for staff,
 computer equipment, consultation, etc.

III. Outcomes/Objectives;

A comprehensive, agency-linked, computerized information system for children in
 San Francisco.

IV. Effects of Reduction or Termination of These Funds;

Not applicable

V. Financial Information;

	Col. A	Col. B	Col. C	Col. D	Req. Match	Approved By
	Two Years Ago	Past Yr./Orig.	Proposed	Change		
Grant Amount			\$200,000			
Personnel						
Equipment						
*Contract Svc.						
Mat. & Supp.	COMPLETE BUDGET DETAILS WILL BE PROVIDED IN THE ACCEPT					
Facilities/Space	AND EXPEND RESOLUTION					
Other						
Indirect Costs						

VI. Data Processing

(costs included above)

--	--	--	--	--	--	--

VII. Personnel

F/T Civil Service						
P/T Civil Service	COMPLETE PERSONNEL DETAILS WILL BE PROVIDED IN THE ACCEPT					
Contractual	AND EXPEND RESOLUTION					

Source(s) of non-grant funding for salaries of Civil Service employees working part-time on this grant:

Not applicable.

Will grant funded employees be retained after this grant terminates? If so, How?

No.

*VIII. Contractual Services: Open Bid --- Sole Source --- (if sole source, attach Request for Exemption Form)

Item 1b - File 213-96-4

REVISED

Department: Public Transportation Commission (PTC)

Item: Resolution authorizing the Public Transportation Commission to retroactively apply for, accept and expend up to \$7,000,000, including local matching funds, of Federal Transit Administration Capital Assistance Section 3 funds to carry out Advanced Technology Transit Bus (ATTB) Demonstration Project activities, placing \$7,000,000 on reserve.

Grant Amount: Up to \$7,000,000 including:

Up to \$5,600,000 in Federal Section 3 Capital Assistance Funds

Up to \$1,400,000 from Various State and local funding sources, including, but not limited to:

State Transit Assistance funds

Transportation Development Act funds

Bridge Toll Net Revenue

Regional Measure One funds

Gas Tax revenues

Transit Impact Development fees

San Francisco Municipal Railway Improvement

Corporation funds

San Francisco County Transportation Sales Taxes

Grant Period: Approximately October 1996 through December 1999
(Three years and three months)

Source of Funds: Federal Section 3 Capital Assistance Funds and various State and local funding sources as identified above

Project: Advanced Technology Transit Bus (ATTB) Demonstration Project

Description: The proposed grant funds will enable the Municipal Railway (MUNI) to design, manufacture and field test, through a consortium of transit operators, seven demonstration trolley buses for revenue route service for the Advanced Technology Transit Bust (ATTB) Demonstration Project. The purpose of the project is for the consortium of transit operators to design a transit bus that meets the following criteria: 1) a total curb weight of less than 20,000 pounds; 2) American with Disabilities Act (ADA) requirements for disabled boarding; 3) a 40' configuration with a seating capacity of 43 and a standing capacity of 29 passengers; 4) ergonomically designed

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

operator's station and maintenance-friendly modular design; 5) a low operating cost; and 6) compliance with the California Resources Board Low Emissions Vehicle emissions requirements for urban buses. According to Mr. Jerry Levine of the PTC, the vehicles designed and manufactured, using the above-mentioned requirements, will increase the flexibility and usefulness of trolley buses.

The consortium of transit operators would include MUNI and the transit operators from the following cities: Seattle, Boston, Dayton, and Philadelphia.

Budget:	Project Management and Other MUNI Labor	\$183,150
	Consultant Services	1,050,000
	Rolling Stock Purchase	5,600,000
	Indirect Costs	<u>166,850</u>
	Total	\$7,000,000

Required Match: \$1,400,000 from Various State and local funding sources, including, but not limited to:

- State Transit Assistance funds
- Transportation Development Act funds
- Bridge Toll Net Revenue
- Regional Measure One funds
- Gas Tax revenues
- Transit Impact Development fees
- San Francisco Municipal Railway Improvement Corporation funds
- San Francisco County Transportation Sales Taxes

Indirect Costs: \$166,850

Comments:

1. According to Mr. Levine, the selection of consultants for the necessary services would be jointly determined by the consortium of transit operators, which includes the PTC. Additionally, Mr. Levine advises that, as of the writing of this report, the PTC has not finalized the budget details for the PTC's preliminary estimated costs for project management and other MUNI labor, consultant(s) services, the purchase of rolling stock. As such, the proposed legislation provides for the \$7,000,000 to be placed on reserve pending 1) the consortium of transit operators' selection of consultants, the submission of the MBE/WBE status of the consultants and the hourly rates and consultants hours and 2) the PTC's submission of budget details for project management and other MUNI labor and the purchase of rolling stock.

2. According to Mr. Levine, the Advanced Technology Transit Bus (ATTB) Demonstration Project is in the

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

conceptual stage and it has not been determined how the responsibility for the design, manufacture and field test of these demonstration trolley buses would be designated among the consortium of transit operators and contractors.

3. The PTC has completed a Disability Access Checklist, which is on file with the Clerk of the Board.

4. Attached is the Grant Application Information Form, as prepared by the PTC, for the proposed grant project.

Recommendation: Approve the proposed resolution.

GRANT APPLICATION INFORMATION FORM

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: 35 Public Transportation Commission - MUNI

Contact Person: Jerry Levine Telephone: (415) 554-3202

Project Title: Grant Application for Advanced Technology Transit Bus (ATTB)
Demonstration Project

Grant Source: Federal Section 3 funds

Proposed (New/Continuation) Grant Project Summary:

The San Francisco Municipal Railway will receive \$5.6 million in Federal Section 3 funds to design, manufacture and field test (through a consortium arrangement) 7 demonstration trolley buses for revenue route service. These coaches will be standard size 40' heavy duty urban environment vehicles that will be constructed using already developed, proven technologies. The process will evolve through design, test and manufacture to produce cars ready for all markets, domestic and international. The trolley buses must be low floor, lightweight (curb weight less than 20,000 lbs.), user friendly, meet ADA requirements and capable of low operating cost.

Amount of Federal Grant Funding Applied for: \$5,600,000

To: The Board of Supervisors

Attn: Clerk of the Board

Page 2

Amount of State Grant Funding Applied for: \$0

Amount of Local and Regional Matching Funds Applied for: \$1,400,000

Maximum Funding Amount Available: Not Applicable

Number of Positions Created and Funded: Not Applicable

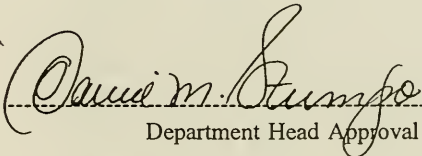
Amount to be Spent on Contractual Services: \$5,950,000

Will Contractual Services be put out to Bid? No

Term of Grant: Not Applicable

Date Department Notified of Available funds: April 1, 1996

Application Due Date: Not Applicable

 5-1-96
Department Head Approval

Item 1b - File 213-96-4

Department: Public Transportation Commission (PTC)

Item: Resolution authorizing the Public Transportation Commission to retroactively apply for, accept and expend up to \$7,000,000, including local matching funds, of Federal Transit Administration Capital Assistance Section 3 funds to carry out Advanced Technology Transit Bus (ATTB) Demonstration Project activities, placing \$7,000,000 on reserve.

Grant Amount: Up to \$7,000,000 including:

Up to \$5,600,000 in Federal Section 3 Capital Assistance Funds
Up to \$1,400,000 from Various State and local funding sources, including, but not limited to:
 State Transit Assistance funds
 Transportation Development Act funds
 Bridge Toll Net Revenue
 Regional Measure One funds
 Gas Tax revenues
 Transit Impact Development fees
 San Francisco Municipal Railway Improvement Corporation funds
 San Francisco County Transportation Sales Taxes

Grant Period: Approximately October 1996 through December 1999
(Three years and three months)

Source of Funds: Federal Section 3 Capital Assistance Funds and various State and local funding sources as identified above

Project: Advanced Technology Transit Bus (ATTB) Demonstration Project

Description: The proposed grant funds will enable the Municipal Railway (MUNI) to design, manufacture and field test, through a consortium of transit operators, seven demonstration trolley buses for revenue route service for the Advanced Technology Transit Bust (ATTB) Demonstration Project. The purpose of the project is for the consortium of transit operators to design a transit bus that meets the following criteria: 1) a total curb weight of less than 20,000 pounds; 2) American with Disabilities Act (ADA) requirements for disabled boarding; 3) a 40' configuration with a seating capacity of 43 and a standing capacity of 29 passengers; 4) ergonomically

designed operator's station and maintenance-friendly modular design; 5) a low operating cost; and 6) compliance with the California Resources Board Low Emissions Vehicle emissions requirements for urban buses. According to Mr. Jerry Levine of the PTC, the vehicles designed and manufactured, using the above-mentioned requirements, will increase the flexibility and usefulness of trolley buses.

The consortium of transit operators would include MUNI and the transit operators from the following cities: Seattle, Boston, Dayton, and Philadelphia.

Budget:	Project Management and Other MUNI Labor	\$183,150
	Consultant Services	1,050,000
	Rolling Stock Purchase	5,600,000
	Indirect Costs	166,850
	Total	\$7,000,000

Required Match: \$1,400,000 from Various State and local funding sources, including, but not limited to:

- State Transit Assistance funds
- Transportation Development Act funds
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- San Francisco County Transportation Sales Taxes

Indirect Costs: \$166,850

Comments:

1. According to Mr. Levine, the selection of consultants for the necessary services would be jointly determined by the consortium of transit operators, which includes the PTC. Additionally, Mr. Levine advises that, as of the writing of this report, the PTC has not finalized the budget details for the PTC's preliminary estimated costs for project management and other MUNI labor, consultant(s) services, the purchase of rolling stock. Therefore, the \$7,000,000 should be placed on reserve pending 1) the consortium of transit operators' selection of consultants, the submission of the MBE/WBE status of the consultants and the hourly rates and consultants hours and 2) the PTC's submission of budget details for project management and other MUNI labor and the purchase of rolling stock.

2. According to Mr. Levine, the Advanced Technology Transit Bus (ATTB) Demonstration Project is in the

BOARD OF SUPERVISORS
BUDGET ANALYST

conceptual stage and it has not been determined how the responsibility for the design, manufacture and field test of these demonstration trolley buses would be designated among the consortium of transit operators and contractors.

3. The PTC has completed a Disability Access Checklist, which is on file with the Clerk of the Board.

4. Attached is the Grant Application Information Form, as prepared by the PTC, for the proposed grant project.

- Recommendation:**
1. Amend the proposed resolution to reserve a total of \$7,000,000 pending 1) the consortium of transit operators' selection of consultants, the submission of the MBE/WBE status of the consultants and the hourly rates and consultants hours and 2) the PTC's submission of budget details for project management and other MUNI labor and the purchase of rolling stock
 2. Approve the proposed resolution as amended.

GRANT APPLICATION INFORMATION FORM

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
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The following describes the grant referred to in the accompanying resolution:

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Grant Source: Federal Section 3 funds

Proposed (New/Continuation) Grant Project Summary:

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Amount of Federal Grant Funding Applied for: \$5,600,000

To: The Board of Supervisors

Attn: Clerk of the Board

Page 2

Amount of State Grant Funding Applied for: \$0

Amount of Local and Regional Matching Funds Applied for: \$1,400,000

Maximum Funding Amount Available: Not Applicable

Number of Positions Created and Funded: Not Applicable

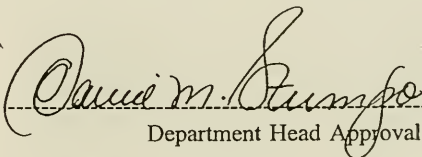
Amount to be Spent on Contractual Services: \$5,950,000

Will Contractual Services be put out to Bid? No

Term of Grant: Not Applicable

Date Department Notified of Available funds: April 1, 1996

Application Due Date: Not Applicable

 5-1-96
Department Head Approval

Item 1c - File 38-96-11

Department: Department of Public Health (DPH)
Laguna Honda Hospital (LHH)

Item: Resolution authorizing the Department of Public Health, Laguna Honda Hospital, to accept and expend a gift of cash and shares of stock valued at \$80,565.35 from the Estate of Ermeth M. Dirovizza, for "the specific use of patients' activities on Holidays" to the residents of San Francisco.

Amount: Gift valued at \$80,565.35

Description: Section 10.116 of the Administrative Code requires approval of the Board of Supervisors for the acceptance of gifts to the City and County with a value greater than \$5,000. The proposed resolution would accept, on behalf of the City, a gift of cash and shares of stock in the value at \$80,565.35, from the Last Will and Testament of Ermeth M. Dirovizza, for use of the DPH, LHH. As stated in the will of Ermeth M. Dirovizza, the gift to be donated to the City is to be used for "the specific use for patients' activities on Holidays." Specifically, Ms. Virginia Leishman, Director of Nursing and Activity Therapy/Volunteers for LHH, advises that the gift to be donated will be used for patient activities during holidays. The above noted gift will include funding field trips with various themes around the holidays, including for example, trips to the zoo, plays, theaters, etc. The above noted gift will also offset the cost for tickets, food and bus fare.

Additionally, Ms. Leishman advises that there are approximately 1200 residents at LHH, of which, about 800 patients will actively participate in patients' activities. As such, these 800 patients are rotated so that between 11 and 32 patients participate per activity. Ms. Leishman further advises that each patient participates in about six field trips per year. Patients enroll with the head nurse and work with volunteer coordinators to participate, based on the patient's current health condition and interest to participate.

Comments: 1. Ms. Lucille Burlew-Lawler of the DPH advises that the actual amount to be received, \$80,565.35, is the sum of \$51,826.96 in cash and an undivided one-half interest in the 5,036.717 shares of the Wells Fargo Stagecoach Fund, with a cost basis of \$28,738.39. The cash value includes \$1,768 of attorney fees that are currently in dispute, and are anticipated to be paid to the City.

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2. Ms. Sharon Nevins, Interim Director of Finance for LHH, advises that a Patient Gift Fund account currently exists for the above noted gift. As such, the above noted gift is restricted to use described in the Last Will and Testament of Ermeth M. Dirovizza.

Recommendation: Approve the proposed resolution.

Item 2 - File 146-96-6.1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of July 9, 1996.

Department: Department of Public Health (DPH)
Community Substance Abuse Services (CSAS)

Item: Request to release reserved funds in the amount of \$44,000 for the Target Cities Project, consisting of \$20,000 for psychiatric services and \$24,000 for coordination services for the Faith Initiative.

Amount: \$44,000

Source of Funds: Federal Department of Health and Human Services (DHHS), Center for Substance Abuse Treatment (CSAT) through the State of California, Department of Alcohol and Drug Programs.

Project: Federal Target Cities Project

Description: The Community Substance Abuse Services (CSAS) Target Cities Project is a project designed to develop an effective and comprehensive substance abuse service system in San Francisco by creating a centralized substance abuse treatment site that will provide both services and referrals for substance abusers. The Target Cities Project is being funded by Federal CSAT grant monies in the amount of approximately \$11 million, to be distributed to the Department of Public Health (DPH) over a five-year period from September 1, 1993 through August 31, 1998.

The Board of Supervisors previously approved a resolution authorizing the DPH to accept and expend an augmentation grant of up to \$1,262,373 for the Target Cities Project in order to increase its original allocation of approximately \$2.5 million for FY 1995-96 (File 146-96-6). Of the augmentation grant of \$1,262,373, \$129,740 was placed on reserve pending the selection of contractors/consultants, the MBE/WBE status of the contractors/consultants and the submission of budget details.

DPH is now requesting the release of \$44,000 for consulting services, which would be expended as follows:

Psychiatric Services (\$20,000)

The Department has selected Dr. Pablo Stewart to provide psychiatric services for the Target Cities Project. Dr. Larry

BOARD OF SUPERVISORS
BUDGET ANALYST

Meredith, Director of CSAS, advises that Dr. Stewart was selected through an informal selection process, based on his expertise in mental health and substance abuse, and for his knowledge of the Target Cities Project and the substance abuse and mental health treatment systems in the City.

Dr. Meredith advises that the Department entered into a Memorandum of Understanding with Dr. Stewart for an amount of \$20,000 for the period beginning May 1, 1996 through September 30, 1996 (see Comment No. 2). Dr. Stewart will provide 160 hours of services at \$125 per hour, including clinical presentations and training, clinical advice and consultation, and a review of clinical protocols. Dr. Stewart is not a certified MBE or WBE firm.

Faith Initiative (\$24,000)

DPH is requesting that \$24,000 be released from reserve to develop a Faith Initiative in the City. The purpose of the Faith Initiative is to link substance abuse services to San Francisco's religious organizations. This request of \$24,000 would pay for the services of Mr. Timothy Dupre (\$2,100) and the Japanese Community Youth Council (\$21,900).

Dr. Meredith advises that DPH selected Mr. Dupre on a sole-source basis to assist in implementing the Faith Initiative due to his experience in uniting faith communities in addressing substance abuse issues. Mr. Dupre will provide up to 105 hours of service at \$20 per hour for a total of \$2,100. Mr. Dupre is not a certified MBE or WBE firm.

In addition, Dr. Meredith advises that DPH selected the Japanese Community Youth Council, a non-profit agency, through a Request for Proposal (RFP) process to provide services for the implementation of the Faith Initiative. Dr. Meredith advises that although the Department advertised in four local newspapers, the Japanese Community Youth Council was the only agency that submitted a proposal. Nonetheless, Dr. Meredith advises that a panel determined that the Japanese Community Youth Council met all the criteria designated in the RFP to provide the required services.

The services to be provided by the Japanese Community Youth Council include (a) coordinating monthly Faith Advisory Group meetings; (b) gathering and organizing relevant information and developing a database directory of the faith communities involved with substance abuse treatment and prevention; (c) developing and coordinating training for faith communities; and (d) providing technical

assistance to faith communities on issues related to substance abuse and prevention. The amount of the contract with the Japanese Community Youth Council is \$30,300. Of this contract amount, \$21,900 would be funded by the subject release of reserved funds and \$8,400 would be paid for with previously appropriated augmentation grant funds. Attachment I, provided by CSAS, shows the cost details for \$30,300 contract with the Japanese Community Youth Council.

Comments:

1. Under the terms of the FY 1995-96 Target Cities grant in the amount of \$3,762,373 (consisting of the original allocation of \$2.5 million plus the augmentation grant of \$1,262,373), up to 25 percent or \$940,593 may be used to provide direct treatment services to persons with substance abuse problems. However, when the Board of Supervisors initially approved the legislation authorizing DPH to apply for the augmentation grant, two conditions were imposed upon DPH for the use of grant augmentation funds in order to increase the amount of grant funds which could be used to provide direct treatment services. These two conditions were as follows:

- The Director of Public Health must seek permission to use an additional 15 percent of the augmentation funds, or an additional \$189,356 (15 percent of \$1,262,373), for direct treatment services, subject to approval by the Federal Department of Health and Human Services (DHHS); and
- The Director of Public Health must attempt to obtain a "special needs" waiver from DHHS to increase the portion of the Target Cities grant available for direct treatment services.

Dr. Meredith advises that expenditures have not yet been incurred against the Target Cities augmentation grant, pending a decision from DHHS regarding the use of augmentation grant funds for additional direct treatment services and the removal of the two above conditions placed upon DPH by the Board of Supervisors. DPH advises that Dr. Hernandez, Director of Public Health, submitted a letter to DHHS requesting permission to use an additional 15 percent of the grant augmentation funds for direct treatment services and requesting a "special needs" waiver to increase that portion of the Target Cities grant funds available for direct treatment services. Attachment II is a letter from Mr. David Mactas, Director of the Center for Substance Abuse Treatment of the Federal Department of Health and Human Services, who has denied the requests of DPH.

BOARD OF SUPERVISORS
BUDGET ANALYST

According to Dr. Meredith, given that DPH's requests have been denied by DHHS, DPH is now requesting that the conditions imposed by the Board of Supervisors on DPH to allocate an additional 15 percent of the augmentation funds for direct treatment services be removed. If these conditions are removed, Dr. Meredith advises that the grant augmentation funds will be expended for the purposes such funds were originally budgeted, as previously reported to the Board of Supervisors (File 146-96-6). Additionally, DPH advises that, of the \$3,762,373 in Target Cities grant funds, approximately \$750,000 or 20 percent will be used to provide direct treatment services, which is in accordance with the terms of the grant.

2. As previously noted, the MOU with Dr. Pablo Stewart to provide psychiatric services for the Target Cities Project commenced on May 1, 1996. However, according to DPH, no expenditures have been incurred against the subject release of reserved funds.

Recommendation: Approval of this request is a policy matter for the Board of Supervisors.

JCYCFaith Initiative Budget
May 1, 1996 - September 30, 1996

<u>Line Item</u>	<u>Amount</u>
Program Coordinator salary	\$12,280
Clerical support salary	1,500
Fringe @ 25%	<u>3,445</u>
Subtotal - Salaries/Benefits	\$17,225
Utilities	\$ 300
Office Supplies, Postage	1,500
Printing and Reproduction	1,000
Staff Travel	500
Program Supplies	120
Facilities Rent/Training meeting expense	<u>6,400</u>
Subtotal - Operating Expenses	\$ 9,820
Indirect Costs (12%)	<u>\$ 3,255</u>
Total	<u>\$30,300</u>

DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

Substance Abuse and Mental
Health Services Administration
Rockville MD 20857

APR 25 1996

RECEIVED
MAY 2 1996
DIRECTORS OFFICE

Sandra R. Hernández, M.D.
Director
Department of Public Health
101 Grove Street
San Francisco, California 94102

Dear Dr. *Sandra* Hernández:

Thank you for your letter of April 1 in which you request approval for a waiver to allow the San Francisco Target Cities Project to fund direct treatment services above the current 25 percent limit.

The Target Cities Project is funded as a demonstration project designed to support the development and evaluation of program models for possible dissemination to other sites. The enabling legislation, P.L. 102-321, section 501, clearly states that the Substance Abuse and Mental Health Services Administration shall improve treatment, prevention, and related services, not merely support their delivery. The major long-term benefit to be gained from our demonstration funds is to discover what works and how to deliver effective services better, not in making a small addition to the amount of treatment services which are delivered.

Funding additional treatment services is, therefore, not an appropriate use of Target Cities demonstration funds. We regret that we are unable to approve your request since we are facing a future in which we will have to maximize the impact of limited Federal fiscal resources. We will continue to do our best for those in need and all those who work so hard to serve and help them.

Sincerely,

David

David J. Mactas
Director
Center for Substance Abuse Treatment

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

Item 3 - File 27-96-7

Department: Airport

Item: Ordinance approving Modification No. 8 of Lease and Use Agreement retroactively between the USAIR, Inc and the City and County of San Francisco.

Effective Dates of Lease Modification: December 15, 1995, May 1, 1996 and September 1, 1996

Description: The Airport advises that pursuant to an assignment from Pacific Southwest Airlines (PSA), effective October 1, 1987, USAIR occupies certain space in the South Terminal Building at the Airport, under a Lease and Use Agreement.

The proposed lease modification would modify the Agreement to reduce space occupied by USAIR in the South Terminal Building, as follows:

	<u>Current Space</u>	<u>Proposed Space</u>
Hold Rooms (waiting areas by Gates 10, 12, & 14)	23,836 Sq. Ft.	14,318 Sq. Ft. (effective 12/15/95)
Office Space (mezzanine level)	9,075 Sq. Ft.	6,276 Sq. Ft. (effective 5/1/96)
Office Space (ramp level)	12,022 Sq. Ft.	5,076 Sq. Ft. (effective 9/1/96)
Baggage Handling Area	<u>202 Sq. Ft.</u>	<u>202 Sq. Ft.</u>
Total Space	45,135 Sq. Ft.	25,872 Sq. Ft.

The Airport advises that USAIR is being required to reduce its total square footage of space from 45,135 square feet to 25,872 square feet, for a total reduction of 19,263 square feet, in order to accommodate the construction of the new Boarding Area "A" in the South Terminal Building. Such construction is in accordance with the Airport's Master Plan Construction.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

Mr. Bob Rhoades of the Airport advises that the reduction in space leased by USAIR will result in USAIR paying a total of \$1,080,470 in rent payments annually or \$754,389 less than the current annual rent payments of \$1,834,859.

According to Mr. Rhoades, overall Airport revenues will not be effected because the reduction in revenues from USAIR will be offset by revenue increases which will be spread among the other airlines using the Airport's Terminal Complex.

Comment:

Under the proposed lease modification, the effective dates for the reduction of USAIR's Holding Room space and office space (mezzanine level) were December 15, 1995 and May 1, 1996 respectively. As such, the proposed ordinance provides for retroactive approval of the proposed lease modification. The effective date for the reduction of USAIR's office space at the ramp level is September 1, 1996.

Recommendation:

Approve the proposed ordinance.

Item 4 - File 27-96-8

Department: Airports Commission

Item: Ordinance approving the early termination of Lease Nos. PUC 21391 and 21968 between Continental Airlines, Inc. and the City and County of San Francisco, acting through and by its Airports Commission.

Description: Continental Airlines, Inc. occupies 1.919 acres of land, commonly known as Plots 10 and 10C, under PUC Lease Nos. 21391 and 21968. Continental exercised its final option for these leases in August, 1991, which extended the term of each lease through July 1, 2001.

The Airport advises that it now wishes to reacquire Plots 10 and 10C for the purpose of developing cargo facilities, which is part of the Airport Master Plan Expansion Program. In addition, Continental Airlines intends to relocate its aviation support functions to facilities provided to them by Delta Airlines, and therefore wishes to relinquish its leases for Plots 10 and 10C.

Mr. Bob Rhoades of Airport Property Management reports that Continental Airlines currently pays \$233,925.80 annually under PUC Lease Nos. 21391 and 21968 for Plots 10 and 10C. Mr. Rhoades reports that this annual reduction in revenues will be offset by revenue increases that are spread across all users (airlines), and that there will be no effect on the Airport's FY 1996-97 budget.

Comments: 1. Mr. Rhoades reports that the proposed new cargo facilities planned for Plots 10 and 10C are included in the Airport's five year capital plan. According to Mr. Rhoades, this new cargo facility would replace a cargo building that was damaged in the Loma Prieta earthquake and subsequently torn down. Therefore, construction of this new cargo facility will also be partially funded by the Federal Emergency Management Agency (FEMA) funds.

2. According to the proposed Termination of Leases Agreement, there are no additional costs associated with this early lease termination. The effective date for the termination is retroactive to July 8, 1996, pending approval of this proposed ordinance by the Board of Supervisors. Mr. Rhoades reports that the Termination of Leases Agreement has been signed by Continental Airlines and the Airports Commission, and that Continental Airlines has already vacated the premises of Plots 10 and 10C. Therefore, this

Memo to Government Efficiency and Labor Committee
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proposed ordinance should be amended to provide for ratification of actions previously taken.

Recommendation: Amend the proposed resolution to provide for ratification of actions previously taken, and approve the proposed resolution as amended.

Item 5 - File 97-96-38

- Department:** Department of Agriculture and Weights and Measures
- Item:** Ordinance amending Section 1.13-9 of the San Francisco Administrative Code to authorize the President of the Board of Supervisors or the President's designee to execute an annual contract between the City and County of San Francisco and the California Department of Food and Agriculture for exotic pest detection and trapping.
- Description:** According to Mr. Fred Crowder of the City's Department of Agriculture and Weights and Measures, counties are required to implement exotic pest detection and trapping programs and usually these services are performed by a city or county. However, the Department of Agriculture and Weights and Measures advises that, currently, the California Department of Food and Agriculture directly provides exotic pest detection and trapping services at no cost to the City and County of San Francisco. Mr. Crowder advises that the City's Department of Agriculture and Weights and Measures has decided to take on this program because it can provide more effective and centralized services.
- The proposed ordinance would amend Section 1.13-9 of the Administrative Code to authorize the City's Department of Agriculture and Weights and Measures to execute an annual contract with the California Department of Food and Agriculture that would provide State funds to the City's Department of Agriculture and Weights and Measures to establish and administer its own Pest Detection and Trapping Program, which would be designed to meet the specific needs of San Francisco.
- The purpose of the proposed City-run Pest Detection and Trapping Program would be to detect and trap the following exotic pests: the Mediterranean fruit fly, the gypsy moth, the Japanese beetle, the melon fly and the Oriental fly. Mr. Crowder advises that these pests currently do not exist in the state of California. However, the above-mentioned pests are commonly found in produce and other agricultural commodities that may be brought into the City, and these pests have the potential to damage crops and recreational areas in San Francisco if they are not detected or trapped, according to Mr. Crowder.
- The proposed Pest Detection and Trapping Program would establish 5,219 pest detection traps within the City and County of San Francisco. Mr. Crowder reports that the pest

detection traps would be located on residential and City-owned properties throughout the City that have plants or trees which bear fruit, and the specific locations of the traps are based on State-determined trapping densities for each exotic pest. The implementation of the proposed program would take place annually from April through October.

Budget:

Attachment 1 provided by the Department of Agriculture and Weights and Measures details the total budget of \$19,991 for the proposed City-run exotic Pest Detection and Trapping Program to be supported by funds from the California Department of Food and Agriculture. The \$19,991 to be paid by the State to the City fully reimburses San Francisco for all costs of the program.

Comments:

1. Of the total contract amount of \$19,991 for the Pest Detection and Trapping Program, \$10,618 would be allocated for approximately 42 percent of one new Public Service Trainee position and the remaining \$9,373 of the total contract amount of \$19,991 would be allocated for existing personnel, supplies, vehicle maintenance and communications (See Attachment 1). The total cost of \$19,991 would be entirely reimbursed by the State.

The Mayor's FY1996-97 proposed budget for the Department of Agriculture and Weights and Measures, as recommended by the Budget Committee, includes the addition of the one new Public Service Trainee at a total annual salary cost of \$25,000. Mr. Crowder states that, under the proposed contract with the State, this position, as noted above, would spend 42 percent of the time staffing the Pest Detection and Trapping Program at a cost of \$10,618.

The Public Service Trainee would expend the remaining 58 percent of the time performing services involving the Department's existing Quantity Control Program and the Device Inspection Program, at a cost of \$14,382 to the General Fund.

2. The Controller's Office has certified the additional revenues of \$19,991 from the California Department of Food and Agriculture in the Department of Agriculture and Weights and Measures FY1996-97 budget.

3. The period of the proposed annual contract between the City and State is from July 1, 1996 through July 1, 1997. All future contracts between the City and County of San Francisco and the California Department of Food and

Agriculture for the Pest Detection and Trapping Program would be subject to separate legislative approval of the Board of Supervisors.

4. Attachment 2 provided by the Department of Agriculture and Weights and Measures explains why the Department wants to create its own Pest Detection and Trapping Program, even though the State has up to now implemented the program at no cost to the City.

Recommendation: Approve the proposed ordinance.

**PEST DETECTION TRAPPING PROPOSAL
SAN FRANCISCO COUNTY
FEBRUARY 26, 1995**

Personnel

1.	One Agricultural Biologist Aide (limited term) One Assistant Agricultural Commissioner/Sealer as Program Manager	
2.	Contract Hours for Ag Biologist Aide:	1,021
	Contract Hours for Program Manager (10%)	102
3.	Salaries: Ag Bio Aide = \$11.97 per hour X 887 hours	\$10,618
	Program Manager = \$23.40 per hour X 102 hours	<u>\$ 2,387</u>
	Sub-total Salaries	\$13,005
4.	Mandatory fringe	<u>\$ 2,731</u>
	Total Salaries and Benefits:	= \$15,736
5.	Administrative Overhead = 12% of \$13,005 =	\$ 1,561

Supplies

Office Supplies	\$ 100
Misc. Supplies	<u>\$ 325</u>
Total Office and Misc. Supplies	= \$ 425

Vehicles - It was indicated that State vehicles are available, so county vehicle options were not included.

State provides used vehicle, County estimate for mileage and maintenance

Average mileage/month = 800 miles	
Mileage - 800 miles X 7 months = 5,600	
Gas Cost - \$ 1.20/gallon @ 18 mpg	\$ 373
SF Central Shops \$0.16/mile maintenance	<u>\$ 896</u>

Total Cost vehicle = \$ 1,269

E-Mail

The state contract includes provision for a dedicated phone line and consumable items.

Total Cost E-mail = \$1000

Total Contract Amount \$19,991

San Francisco County
Proposed Pest Detection Trapping Budget
FY 95/95

COPY

A. Personnel

1.	Salaries	\$13,005
2.	Mandatory Fringe	\$ 2,731
3.	Administrative Overhead (12% of salaries)	<u>\$ 1,561</u>

Total Personnel \$17,297

B. Supplies \$ 425

C. Vehicle \$ 1,269

D. E-Mail \$ 1,000

Total Contract Amount *\$19,991*

Average Cost Per Trap Servicing

Program Cost - \$19,991

Total Traps - 5,219

= \$3.83 / Servicing

COPY



DEPARTMENT OF AGRICULTURE
AND
WEIGHTS AND MEASURES

David C. Frieders
Agricultural Commissioner
Director of Weights and Measures

Fred W. Crowder
Assistant Agricultural Commissioner
Assistant Director of Weights and Measures

MEMORANDUM

TO: Supervisor Ammiano, Government Efficiency and Labor
Committee Chair

FROM: David C. Frieders, Agricultural Commissioner/
Director of Weights and Measures

DATE: July 3, 1996

SUBJECT: Pest Detection Trapping Program

The Department of Agriculture/Weights and Measures is pursuing a contract with the California Department of Agriculture to take over the pest detection trapping program for the county of San Francisco.

The agricultural commissioner has submitted proposed legislation authorizing the President of the Board of Supervisors to enter into a contract with California's Department of Food and Agriculture (CDFA). This legislation specifically allows the board to execute an annual contract with the State for the implementation of an insect pest detection trapping program. The additional staff position necessary to man this program has been reviewed and \$25,000 approved by the Mayors Office and the Board Of Supervisors in the agriculture departments 96/97 budget.

In response to requests by the Supervisors Budget Analyst, Harvey Rose, the following is the program justification:

The proposed insect detection trapping contract with CDFA will directly pay the county \$19,991 to cover direct and administrative costs of the program in addition to an annual \$6,000 in indirect revenues to be allotted to the county agriculture department in unrefunded gas tax moneys which are specifically earmarked for county pest detection trapping. Additionally, the program will increase the reportable agriculture program hours on the departments annual report to CDFA which will result in additional indirect revenues from the State. Total revenues derived through this program will exceed \$25,991 against expenditures of \$19,991.

Detection programs for exotic pests are vital for the protection of California's agricultural and recreational interests. If fruit fly was to establish itself in California, the quality and availability of produce would dramatically drop, and the use of pesticides would substantially increase. This would result in higher prices, a decline in the quality of the produce available, and California's six billion a year agricultural industry would be denied the free access to foreign markets which it currently enjoys. Because of San Francisco's importance as a produce distribution center and the high incidence of smuggled exotic produce, the city is considered high risk for exotic insect pests. The continuation of this program in San Francisco is crucial for continued access of California's produce to world wide markets.

Previous commissioners did not take on responsibility for the program as they did not believe the department had the staff or administrative resources available for implementation. Under new direction, the agricultural commissioner intends to take essential responsibility for the program. It is the department's intent to operate in an efficient, fiscally responsible manner while providing responsive, professional service for San Francisco. This program is an example of a program which can be administrated locally making it more responsive to local needs while bringing in additional revenue reducing the department's dependence on the general fund.

The additional position needed to fulfill program staffing requirements has been reviewed and approved in the 96/97 budget. The individual position approved by the board would work seven months per year in the pest detection trapping program and five months augmenting departmental weights and measures programs. The addition of this person to the weights and measures program will relieve experienced weights and measures inspectors of routine device inspection duties. This will allow them to concentrate on quantity control programs which provide consumer protection and avenues for cost recovery.

At this time, pest detection trapping in San Francisco is being done by CDFA headquartered in Sacramento. In the interest of reducing costs, The State has already approved the San Francisco Agricultural Commissioner's proposal for adoption of the program. As stated, CDFA provides moneys for detection trapping so commissioners can render this service within their county. Of the fifty six counties in California, San Francisco is one of five that has not yet implemented the pest detection program through the Agricultural Commissioners office.

Item 6 - File 93-94-17.5

- Department:** Department of Human Resources
Employee Relations Division
- Item:** Ordinance amending Ordinance No. 316-94 to implement the provisions of an arbitrator's award amending the Memorandum of Understanding (MOU) between the Building Inspector's Association for classification Nos. 6331, Building Inspector, and 6333, Senior Building Inspector, and the City and County of San Francisco for the period July 1, 1996, through June 30, 1997.
- Description:** The Board of Supervisors previously approved legislation ratifying an MOU between the Building Inspectors Association for Classification Nos. 6331, Building Inspector, and 6333, Senior Building Inspector, and the City and County of San Francisco (File 93-94-17.2) for three years from July 1, 1994, to June 30, 1997.
- The Board also approved legislation implementing the fiscal provisions of that MOU for the period July 1, 1994, through June 30, 1995.
- Classification Nos. 6331 and 6333 received a two percent increase in FY 1995-96, based on the MOU's provision requiring that wage rates for those classifications maintain parity with those of Housing Inspectors for FY 1995-96.
- The proposed ordinance would implement the fiscal provisions of the MOU between the City and the Building Inspectors Association for the subject classifications for the period of July 1, 1996, through June 30, 1997 (FY 1996-97). The arbitration award would grant a one percent wage increase on July 1, 1996, and an additional one percent wage increase on December 28, 1996. The Controller estimates that the incremental cost of the wage increases would be approximately \$70,000 in Fiscal Year 1996-97 and ongoing costs of approximately \$90,000 thereafter. No other additional costs would result from implementing the fiscal provisions of the MOU.
- Comments:** 1. The majority of the employees in the subject classifications work in the Department of Building Inspection (DBI) and the Department of Public Works (DPW), while the remaining employees in these classifications work in other DPW bureaus, the Port, and the Airport.

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2. The Controller's cost estimate is based on the MOU coverage of approximately 60 employees with a salary base of approximately \$4.1 million. The Budget Analyst concurs with the Controller's cost estimate.

Recommendation: Approve the proposed ordinance.

Item 7 - File 154-96-1.1

Department:

Item: Ordinance authorizing amendment to the contract between the City and County of San Francisco and the Board of Administration of the California Public Employee's Retirement System (PERS) to transfer prior service for safety members in the Adult and Juvenile Probation Departments who elected prospective membership on September 1, 1990.

Description: The Board of Supervisors previously approved legislation (File 154-96-1) giving notice of intention to approve an amendment to the contract between the Board of Administration of PERS and the Board of Supervisors relating to membership in said retirement system by members of the Adult and Juvenile Probation Departments.

The proposed ordinance would amend the City and County's contract with PERS. The amendment would transfer all safety-related retirement service credits earned before September 1, 1990, by Probation Officers and Juvenile Hall Counselors from the City's Employees Retirement System (ERS) to PERS.

Background to the Proposal
(Provided by the Retirement System)

The transfer of Probation Officers and Juvenile Hall Counselors and other classifications noted below from ERS to PERS was first proposed in the early 1980's pursuant to a Charter Amendment approved by the electorate in 1983 (Charter Section 8.506-2 of the 1932 City Charter). The Charter Amendment required that transfers from ERS to PERS could only take place if there was "no net increase in cost" to the City and County of San Francisco.

To date, Airport Police, District Attorney Investigators and Institutional Police were transferred from ERS to PERS in the mid-1980's. Those transfers were complete, in that all safety-related retirement service credits earned before the transfer was included.

Probation Officers and Juvenile Hall Counselors transferred on a prospective basis only on September 1, 1990; that is, all service with San Francisco after September 1, 1990, would earn retirement service credit under PERS, while retirement service credit earned prior to September, 1990 (the subject of this proposed legislation), remained with ERS.

BOARD OF SUPERVISORS
BUDGET ANALYST

Public Defender Investigators and Coroner's Investigators were deemed by PERS to not be qualified for safety retirement benefits under California State Law.

Transfer from ERS to PERS for Fire Safety Inspectors is awaiting the result of a cost study by PERS.

Effect of the Proposal

The prospective transfer of the Probation Officers and Juvenile Hall Counselors in 1990 was preceded by years of analysis, multiple cost studies and ongoing meeting and conferring on the issue of PERS coverage. The years since 1990 have been similar with the focus changing to the transfer of pre-9/90 service credit. The proposed ordinance, therefore, would complete the transfer to PERS and resolve for these classifications an issue that has been analyzed since 1985.

The proposal would also provide Probation Officers and Juvenile Hall Counselors with the same level of safety benefits, both retroactively as well as prospectively, as the benefits which are received by District Attorney Investigators and Deputy Sheriffs. It would also provide a higher level of safety benefits, retroactively as well as prospectively, to Probation Officers and Juvenile Hall Counselors than the benefits received by Airport Police and Institutional Police.

Cost of the Proposal

The proposed transfer of ERS benefits to PERS for Probation Officers and Juvenile Hall Counselors is subject to the "no net increase in cost" test contained in Charter Section 8.506-2. According to Mr. Kieran Murphy of the Retirement System, the transfer can be termed a "no net increase in cost" transfer, as that term has been defined in past calculations for these two classifications.

According to Mr. Murphy, a 1994 actuarial study was implemented by PERS showing the increased liability and cost to PERS of completing the transfer and an accompanying analysis showing the decrease in liability and cost to ERS if the transfer were to proceed. An additional factor that was taken into consideration was the effect of ERS transferring additional assets to PERS; those additional assets would be sufficient to offset the decrease in liability to ERS.

Almost two years have passed since the above studies were completed. However, according to Mr. Murphy, a new actuarial study is not required since the costs would not have changed significantly. According to Mr. Murphy the main changes are:

- the pension liabilities for members of both ERS and PERS will have increased significantly because the members are two years closer to retirement; however, the assets that were in place to offset these liabilities have increased much more than the liabilities.
- some of the members in the 1994 study have retired and therefore both liabilities and offsetting assets are overstated; however, each retirement serves to decrease the likelihood of there being any overall cost to the transfer.

Comments:

1. Approval of the proposed legislation would result in the transfer of the affected classifications from ERS to PERS effective October 1, 1996, for service prior to September 1, 1990. Those members who so elected in 1990 have had their retirement credits administered by PERS for service since September 1, 1990.

2. According to Mr. Murphy, approximately \$19 million in monetary assets would be transferred to PERS from ERS coincident with the transfer of at least that amount in present value retirement liability, effective October 1, 1996.

3. Mr. Murphy estimates that all Probation Officers and Juvenile Hall Counselors who transferred their prospective retirement benefits to PERS from ERS in 1990 would elect to transfer their pre-1990 retirement benefits also.

4. Mr. Murphy stated that if the proposed legislation is approved, it could result in the retirement of an undetermined number of Probation Officers and Juvenile Hall Counselors, who have been deferring their retirement pending the outcome of the approval of this proposed legislation.

5. Mr. Murphy reports that there would be no cost to the City for the proposed transfer of pre-9/90 service credit for the subject Probation Officers and Juvenile Hall Counselors.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

Item 8 - File 93-95-52.1

Department: Department of Human Resources

Item: Ordinance amending ordinance No. 21-96 to implement an amendment to the provisions of a Memorandum of Understanding between the Freight Checkers, Clerical Employees & Helpers, Local 856 and the City and County of San Francisco for Bargaining Unit 11B, Supervising Registered Nurses, effective July 1, 1996 through June 30, 1997.

Description: The Board of Supervisors previously approved an ordinance which (1) approved an MOU between the City and the Freight Checkers, Clerical Employees & Helpers, Local 856, which includes Supervising Registered Nurses under Bargaining Unit 11B, and (2) implemented the fiscal provisions of the subject MOU for the two-year period July 1, 1994 through June 30, 1996 (Files 93-95-52). The proposed ordinance would amend the previously approved ordinance to extend the period of the MOU from July 1, 1996 through June 30, 1997.

Comments: 1. Mr. Geoffrey Rothman of the DHR advises that the proposed amendment to extend the period of the MOU would result in the continuance of the same terms and provisions of the existing MOU, meaning that the City's Supervising Registered Nursing staff would not receive salary increases or any other additional economic increases for FY 1996-97.

2. The existing MOU, as previously approved by the Board of Supervisors, includes the following fiscal provisions: (1) a two percent wage increase for FY 1995-96 for each classification covered by this MOU, (2) effective April 1, 1996 through June 30, 1996, the City began to "pick-up" three percent of the employee's share of retirement costs, (3) employees were granted paid longevity leave days as follows: one leave day after two years of continuous service; two leave days after five years of continuous service; four leave days after seven years of continuous services; and six leave days after ten years of continuous service, and (4) effective July 1, 1994, employees with 15 years or more of continuous full-time or part-time service in any Registered Nurse classification became entitled to a longevity premium for \$0.61 per hour in addition to their basic hourly rate.

3. The Controller's Office previously reported that the additional costs to the City for the fiscal provisions of the existing MOU between the City and Local 856, are as follows:

	FY <u>1995-96</u>	<u>Ongoing Costs</u>
Schedules of Compensation		
Wage Increase	\$196,232	\$261,643
Related Fringe Benefits	26,099	34,799
Retirement Costs	245,290	392,465
Longevity Leave	226,422	226,422
Longevity Premium	<u>63,180</u>	<u>63,180</u>
Total	\$757,223	\$978,509

4. Attached is a memo from the Controller's Office, which discusses the Controller's Office's analysis of the proposed amendment to extend the period of the subject MOU. According to the Controller's Office, since the amendment represents an extension of the current MOU provisions, there would be no additional incremental costs associated with this amendment to the MOU. The Budget Analyst concurs with the Controller's Office's analysis.

Recommendation: Approve the proposed ordinance.



CITY AND COUNTY OF SAN FRANCISCO

Attachment
OFFICE OF THE CONTROLLEREdward Harrington
ControllerJohn W. Madden
Chief Assistant Controller

July 12, 1996

Mr. John L. Taylor, Clerk of the Board
Board of Supervisors
401 Van Ness Avenue
San Francisco, CA 94102

RE: Local 856, Supervising Nurses, MOU Extension

Dear Mr. Taylor:

In accordance with ordinance 92-94, I am submitting a cost analysis of the Memorandum of Understanding (MOU) extension between the City and County of San Francisco and Local 856, Staff and Per Diem Nurses for the period of July 1, 1996 through June 30, 1997. This MOU covers approximately 140 employees with a salary base of about \$11 million.

Since this an extension of the current MOU provisions, there are no additional incremental costs associated with the agreement in fiscal year 1996-97.

If you have any additional questions or concerns please contact John Madden at 554-7500.

Sincerely,

A handwritten signature in dark ink, appearing to read "Ed Harrington".
Edward M. Harrington
Controller

Attachment

cc: Vicki Rambo, ERD
Harvey Rose, Budget Analyst

Item 9 - File 25-96-11

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of June 25, 1996.

Department: Department of Public Health (DPH)

Item: Resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the Department of Public Health by a private contractor for a lower cost than similar work services performed by City and County employees.

Services to be Performed: Procurement and distribution of supplies to the San Francisco General Hospital (SFGH), Laguna Honda Hospital, and other DPH programs.

Description: Charter Section 10.104 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

Currently, the DPH purchases supplies from several vendors. DPH staff stores and distributes the supplies to the various health facilities. The proposed resolution would approve contracting with a "prime vendor," to consolidate the various medical supplies vendors currently providing such supplies to the DPH to one single prime vendor, who would provide materials management services that are currently provided by DPH materials management personnel. Attachment I describes specifically the responsibilities of the prime vendor.

The Controller has determined that contracting for procurement and distribution of supplies for the DPH for Fiscal Year 1996-97 will result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Personnel	\$595,211	\$704,225
Fringe Benefits	172,228	191,022
Materials and Supplies	<u>7,983,530</u>	<u>7,983,530</u>
Total	\$8,750,969	\$8,878,777
 <u>Estimated Contract Service Cost</u>	 8,544,290*	 8,544,290*
 <u>Estimated Savings</u>	 \$206,679	 \$334,487

*Includes a base contract amount of \$6,937,100 and prime vendor distribution fees of \$105,617, as well as \$1,501,573 in inventory which would be competitively bid outside of the prime vendor contract. See comments 2 through 6, below.

Comments:

1. This would be the first time that the DPH has contracted for such prime vendor services under Proposition J.
2. The estimated contract service cost is based on a bid solicited by the DPH. Ms. Sarah Ecker of the DPH reports that the Department obtained competitive bids from four pre-qualified firms. Ms. Ecker advises that the four firms were pre qualified based on (a) specific service requirements, (b) requirements established by the City's Human Rights Commission (HRC), and (c) software interface requirements.
3. On an annual basis, the DPH purchases approximately \$7,983,530 in inventory. However, the bids submitted by the four firms for the prime vendor contract were based on providing \$6,481,957 of the DPH's annual supply inventory, or \$1,501,573 less than the current total annual purchases made by DPH of \$7,983,530. Mr. Dwight Starr of the DPH advises that the DPH accepted the bids based on a portion of the total annual inventory amount because the bidders were unable to obtain three year price guarantees from some medical supply distributors for some items. Therefore, the potential prime vendor contractors did not believe they could offer guaranteed prices for approximately \$1,501,573 of the DPH annual inventory at this time. As such, the DPH only required the bidders to submit bids based on providing \$6,481,957 of annual purchases. Mr. Starr advises that the DPH will solicit future bids to purchase the \$1,501,573 in annual inventory which will not be included in the prime vendor contract (See Comment No. 4).

4. The DPH selected the firm of Allegiance Healthcare Corporation (formerly named the Baxter Health Care Corporation), as the lowest of the four bidders, for an amount of \$6,937,100. This amount of \$6,937,100 includes the \$6,481,957 in annual supply purchases as well as \$455,143 in materials management service fees. As noted above, the DPH will solicit future bids to purchase the remaining \$1,501,573 in annual inventory which was not included in the Allegiance Healthcare Corporation's bid of \$6,937,100. Mr. Starr advises that this \$1,501,573 in additional annual inventory may be purchased from suppliers other than the prime vendor. Accordingly, Allegiance Healthcare Corporation will then be paid a five percent (dock to dock) to seven percent (dock to point-of-use) "distribution fee" to receive, warehouse, and distribute this \$1,501,573 in additional inventory to DPH facilities, or approximately \$105,617. Therefore, the total cost to the City for Proposition J City to contract cost comparison purposes is \$8,544,290, including \$6,937,100 for the prime vendor contract, \$1,501,573 to purchase supplies which will be outside of the prime vendor contract, and \$105,617 for the prime vendor's distribution fees on the \$1,501,573 in supplies to be purchased outside of the prime vendor contract.

5. Mr. Dwight Starr of DPH states that as part of bid specifications, the Department has required that the prime vendor purchase the existing SFGH supply inventory for the same acquisition cost that was paid by the SFGH. Mr. Starr further states that although a portion of the existing inventory is technologically outdated and of no use to DPH, the prime vendor will be able to resell the inventory to other health care providers. The Department has estimated that the current value of this inventory is approximately \$1.3 million, which will be received by the City as a one-time revenue. Mr. John Madden of the Controller's Office advises that if the proposed contract is not approved, the \$1.3 million in one-time revenue would not be received by DPH.

6. Allegiance Healthcare Corporation is not an MBE/WBE firm. However, Mr. Starr advises that Allegiance Healthcare Corporation has exceeded the HRC's requirements of 35 percent MBE/WBE participation using subcontractors. Mr. Starr advises that \$3 million, or 39 percent of all medical supplies will be purchases from Allegiance Healthcare Corporation's MBE/WBE subcontractors (which is 43.2 percent of the base contract amount). Attachment II, provided by the Department, is a list of Allegiance Healthcare Corporation's subcontractors, and the MBE/WBE status of these contractors.

7. Approval of the proposed resolution would result in the deletion of 16.5 FTEs, or 18 positions in the DPH, including Purchasers, Storekeepers, Inventory Clerks, Clerk Typists, and Central Supply Processors. Mr. Starr states that of the 18 positions, 12 are currently filled positions, and six are vacant positions. Mr. Starr advises that all 18 of the positions have been deleted from the FY 1996-97 budget. Mr. Starr further advises that 11 of the 18 employees occupying these positions are represented by the Service Employees International Union, and will be offered the opportunity to enter into a retraining program administered by the SEIU. Ms. Ecker advises that the SEIU received a \$500,000 grant from the Federal Department of Labor for retraining purposes. Ms. Ecker advises, that although the DPH cannot guarantee employment for the retrained employees, the 11 employees will be eligible for placement in positions within the DPH for which they are qualified.

In addition, one employee who is currently work-ordered from the Purchasing Department to the SFGH will return to the Purchasing Department (See Comment No. 8).

8. Mr. Ara Minasian of Purchasing advises that the SFGH has proposed to discontinue paying for work-orders for two 1952 Purchasers (one filled, one vacant), that are currently work-ordered to the SFGH. Mr. Minasian advises that the one filled 1952 Purchaser position, which is represented by Local 21, will not be laid off, and instead will be reassigned by the Purchaser to fill a vacant work-order position within Purchasing. Mr. Minasian advises that this position has been included in the Purchaser's FY 1996-97 budget.

9. Mr. Dale Butler of the SEIU advises that the SEIU supports the Prime Vendor consolidation plan, under the condition that all SEIU employees are (1) provided the opportunity for retraining in the SEIU's retraining program, and (2) placed into alternative jobs at comparable pay within the DPH, upon the successful completion of the training program. As previously noted, Ms. Ecker stated that jobs for 11 of the employees cannot be guaranteed.

10. Ms. Linda Jofuku of Local 21 advises that Local 21 has several concerns regarding the proposed Prime Vendor Consolidation plan, as stated in Attachment III.

11. Mr. Starr advises that Allegiance Healthcare Corporation provides health care benefits for its employees.

12. Mr. Starr advises that the term of the proposed contract with Allegiance Healthcare Corporation is for a three year period, with two one-year extensions. Mr. Starr advises that the contract will commence subsequent to approval of the proposed resolution by the Board of Supervisors .

13. Attachment IV, provided by the Department, is the Controller's Supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor.

14. The proposed resolution does not include a request to the Board of Supervisors to specifically approve the proposed contract with Allegiance Healthcare Corporation, as is required by City Charter Section 9.118 for all contracts over \$10 million. The proposed resolution is for the purpose of approving the Controller's certification that services can be provided more economically by a private contractor. Therefore, the DPH advises that separate legislation requesting approval of the prime vendor contract with Allegiance Healthcare Corporation will be provided to the Board of Supervisors for the Government Efficiency and Labor Committee meeting on August 13, 1996.

Recommendation: Approval of the proposed resolution for Proposition J Certification is a policy decision for the Board of Supervisors.


City and County of San Francisco



Department of
Public Health

San Francisco General Hospital
Medical Center

To: Michelle Ruggels
Budget Analyst

From: H. Dwight Starr, Director 
DPH Materials Management

Re: DPH Prime Vendor Distribution Program

Date: July 19, 1996

Scope of Work.

The DPH Department of Materials Management will use the Prime Vendor Distribution Program to distribute medical/ surgical supplies to all of the sites within the Department of Public Health; these include the CPHS clinics, the Paramedics, Laguna Honda Hospital, and San Francisco General Hospital. The supplies distributed by this Prime Vendor will utilize City & County Contracts procured in compliance with all City & County Purchasing requirements. The DPH will pay only for supplies properly ordered and received at the DPH sites; the price paid will be inclusive of the distribution fees. The supplies will be delivered to the sites in an industry system referred to as Just-in-Time and in the customer/ user's defined lowest unit of measure. These terms refer to a system designed to eliminate purchasing in bulk quantities from direct manufacturers; and, the resultant excessive inventory levels. These excessive inventory levels are expensive and often serve the supplier rather than the purchaser. This Just-in-Time prime vendor distribution system includes several defined procedures that result in cost reductions in Supply Chain Management; and yet increase the levels of service to the customer. The Healthcare industry has used this system for over 10 years.

Advantages to the Department of Public Health and the Human Rights Commission.

The major advantages of this program are:

1. **Decrease the Supply Chain Management Costs.** These include all costs incurred in the purchase, the receipt and the distribution of supplies.
2. **Increase the participation of Certified MBE/WBE's.** This contract will enable the Department to increase its Certified MBE/WBE participation from its current level of less than 5% to a minimum of 35%. We will attain 39% level within the first 90 days of the contract.

3. Releasing 12,000 square feet of space currently devoted to inventory storage. This program will allow is to release this space at San Francisco General Hospital. The fair market value of this opportunity is estimated to be \$93,600 annually.

4. Realize a one time savings of approximately \$1,300,000. This will be accomplished by the sale of the existing inventories, at DPH acquisition cost, to the Prime Vendor.

5. Increase the availability of Medical and Surgical Supplies. In this Prime Vendor Distribution Program, all medical and surgical supplies will have guaranteed fill rates from the Distributor. In our current system we do not have guaranteed fill rates; and, therefore we are overstocked on some products and precariously short on others. This situation compromises both our ability to meet our patient needs, and our fiscal responsibilities.

City and County of San Francisco

Department of
Public HealthSan Francisco General Hospital
Medical Center

To: Michelle Ruggels
Budget Analyst

From: H. Dwight Starr, Director *HS*
DPH Materials Management

Re: Summary of MBE/WBE Participation in the Prime Vendor Distribution Program

Date: July 19, 1996

Listed below is the list of Certified MBE/WBE manufactures and suppliers that are in the DPH Prime Vendor Distribution Program. The is the projected annualized dollars for FY 96/97. The efforts to locate and help stimulate Certified MBE/WBE's have yielded a significant increase in their participation in the DPH. We are confident that the momentum will continue and will yield even more participation. As stated before, this participation level exceeds the 35% level described in the Contract. Mr. Edwin Lee, Director of the Human Rights Commission, has been a very active participant in this process and he will be at the July 23, 1996 hearing.

Certified MBE/WBE
VendorAnnualized Volumes (Dollars) in the
Prime Vendor Distribution Program

Allied Medical	\$ 48,500
Broadline Medical	\$ 2,750,000
Lucy Sales	\$ 120,150
Ramsell	\$ 172,950
<u>Santora Sales</u>	<u>\$ 5,000</u>
Total	\$ 3,096,600

cc: Edwin Lee, HRC

Post-it Fax Note	7671	Date	7/16/96	# of pages	2
To	Michelle Ruggles	From	Linda Totoku		
Co./Dept	Budget Analyst	Co.	L. 21		
Phone #		Phone #	864-2100		
Fax #	252-0461	Fax #	864-2166		

July 3, 1996

Supervisor Tom Ammiano, Chair
Board of Supervisors Government Efficiency and Labor Committee
401 Van Ness Avenue, 3rd Floor
San Francisco, CA 94102

Subject: Protest Prime Vendor Contract - Prop J

Dear Tom:

Please note the attached memo from our Purchaser's Chapter. We have met with the Controller's Office, Purchaser's Office, and San Francisco General Hospital Personnel on June 25th. We brought several of our concerns to their attention:

- 1) We were not noticed by the Controller's Office regarding the proposal to "Prop J" contract our members' work out; and
- 2) The initial information given to us by the Health Department was erroneous and stated that the only classification affected by this proposed "Prop J" contract was an 1811 MIS position. In fact, it affects 2 purchaser positions- (2) 1952 Purchasers; and
- 3) The workload involving procurement of equipment and supplies remains (work not covered in the contract) at San Francisco General Hospital even though the Hospital will not workorder 2 FTE Purchaser positions in the FY 96-97 budget; and
- 4) Our purchaser's refute the premise that "procurement of supplies can be practically performed for the Purchaser's Office in behalf of DPH by private contractor for a lower cost than similar work services performed by City and County employees"; and
- 5) The proposed contract provides for additional purchases as needed, and for purchases over \$1,000.00 requires competitive bid through the Prime Vendor -- thus, generating more purchaser's work to provide needed oversight; and
- 6) Even if you decide to "Prop J" this work there needs to be a gradual "phase-in" of the contract -- Prime Vendor may not be able to provide all products and the Hospital must continue purchasing goods in the transition and continue to workorder the positions during this time.
- 7) According to Purchaser Rick Kimball the initial "Prime Vendor" discussions did not contemplate reductions in purchasing staff but an increase of 2 positions (filling vacancies) so that the competitive bidding process would receive more attention to achieve cost savings.

The concern is that work be absorbed through the appropriate existing civil service classifications. We believe that there is sufficient workload to maintain the existing purchasing staff at San Francisco General Hospital. Additionally, we



INTERNATIONAL
FEDERATION OF
PROFESSIONAL
AND
TECHNICAL
ENGINEERS

LOCAL 21
AFL-CIO

An Organization of
Professional and Allied
Technical Employees

OPPERUM
THEATER BUILDING
1132 MARKET STREET
ROOM 425
SAN FRANCISCO, CA
94102-4921

(415) 864-2100
FAX (415) 864-2166

Page Two--

Letter to Tom Ammiano

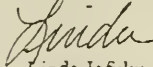
July 3, 1996

have seen too many contracts run "amuck" with costly amendments and inefficiencies after very "cheap" initial bids. Purchaser's oversight is needed.

We ask that you consider our concerns prior to the calendar of the Prime Vendor contract. Our purchasers request to testify at the hearing. Please let us know when the contract will be calendared.

Thank you for your consideration.

Sincerely,



Linda Jofuku

Sr. Representative

cc: Carlos Chavez
Tony Fiore
Rick Kimball
David Novogrodsky
Jo Anne Lawrence
Michael Yaki
Leslie Katz
Ed Harrington
John Madden
Matt Hymel

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department: Department of Public Health

Contract Service: Materials Management, Prime Vendor Distribution Program

For the term starting approximately: June 1996 through June 1999

Who performed services prior to contracting out? CCSF employees of the Department of Public Health in the areas of Materials Management functions

Number of City employees laid off as a result of contracting out? 16.5 Full Time Equivalents

Explain disposition of employees if they were not laid off The Department is currently involved with discussions to address this issue..

What percent of a City employee's time is spent on services to be contracted out? 100 % of the time for the aforementioned 16.5 Full Time Equivalents

How long have the services been contracted out? The services have not been contracted out prior to this proposed contract

How will contract services meet the goals of your MBE/WBE Action Plan? The contract contains the requirements for a 35% MBE/WBE participation for the goods and services provided; this will represent a significant increase from our current participation of less than 5.0%. This plan was developed in close cooperation with the Human Rights Commission and has their approval.

H. Dwight Starr
Department Representative

206-5088
Telephone

Item 10 - File 25-96-12

Department: Municipal Court

Item: Resolution concurring with the Controller's certification that services of the Court Management System Coordinator can continue to be practically performed by a private contractor for lower cost than similar work services performed by City and County employees.

Services to be Performed:

Court Management System Coordinator Services
(Manages the computer system known as the Court Management System, which is shared by the Police Department, Sheriff's Department, Adult Probation Department, Trial Courts, District Attorney, and Public Defender.)

Description:

Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting Court Management System Coordinator Services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$52,034	\$62,953
Fringe Benefits	<u>12,510</u>	<u>14,247</u>
Total	\$64,544	\$77,200
<u>Contractual Services Cost</u>	<u>49,980</u>	<u>49,980</u>
<u>Estimated Savings</u>	\$14,564	\$27,220

Comments:

1. Court Management System Coordinator Services were first certified as required by Charter Section 8.300-1 in 1978 and have been provided by an outside contractor since then.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. The Contracted Service Cost used by the Controller's Office is estimated to be \$49,980 and is included in the Trial Court's FY 1996-97 Budget.

3. According to Mr. Roy Ellender of Adult Probation, the Court Management System Policy Committee (composed of representatives from the affected departments: Police Department, Sheriff's Department, Adult Probation Department, Trial Courts, District Attorney, and Public Defender) and members thereof, selected Mr. John F. Beauchamp on May 1, 1996 to provide the Court Management System Coordination Services based on interviews with five selected applicants who responded to ads in the San Francisco Chronicle and San Francisco Examiner. Mr. Beauchamp is a sole proprietor and does not have any employees to provide health insurance.

4. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor, is attached.

Recommendation: Approve the proposed resolution.

Charter 8.300-1 (Proposition J) QuestionnaireDepartment Municipal Court, #11 For time Period FY 1996-97Contract Services Court Management System Coordinator.

1) Who performed services prior to contracting out?

Coordinator services were originally provided through the LEAA grant during development of the Court Management System (CMS).

2) Number of City employees laid off as a result of contracting out?

None.

3) If the employees were not laid off as a result of contracting out, what happened to them?

Coordinator has made the use of CMS more adaptable to office operations. City employees began to benefit from computer support.

4) What percent of a City employee's time is spent on services to be contracted out?

None. The coordinator position crosses over nine City departments in supporting and using CMS.

5) How long have the services been contracted out?

Since 1978.

6) Will contract services meet goals of MBE/WBE Ordinance?

Not applicable.



Department RepresentativeTelephone: 554-4516

Item 11 - File 25-96-14

Department: Juvenile Probation

Item: Resolution concurring with the Controller's certification that Intake and Shelter Services to status offenders can continue to be practically performed by private contractor for lower cost than similar work performed by City and County employees.

Services to be Performed: Intake and Shelter Services

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting Intake and Shelter Services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$724,351	\$856,811
Fringe Benefits	209,581	231,636
Operating Expenses	<u>96,042</u>	<u>96,042</u>
Total	\$1,029,974	\$1,184,489
<u>Contractual Services Cost</u>	<u>625,358</u>	<u>625,358</u>
<u>Estimated Savings</u>	\$404,616	\$559,131

The Estimated Contract Cost includes one full time 8442 Senior Probation Officer for contract monitoring.

- Comments:**
1. The Juvenile Probation Department reports that this service has been continuously provided by an outside contractor since 1984 in part, and since 1989 in total, and has been certified as required by Charter Section 8.300-1.
 2. The prior one-year contract with Youth Advocates, the non-profit organization which provides the Intake and

BOARD OF SUPERVISORS
BUDGET ANALYST

Shelter Services, expires on June 30, 1996. The Juvenile Probation Department wishes to exercise its option to renew this contract. Approval of the proposed resolution is required before the expired contract with Youth Advocates can be renewed for FY 1996-97. As such, the proposed resolution should be amended to retroactively concur with the Controller's certification, according to Mr. Ted Lakey of the City Attorney's Office.

3. The Contracted Service Cost used for the purpose of this analysis is the Youth Advocates' projected FY 1996-97 cost for Intake and Shelter Services.

4. The Juvenile Probation Department reports that Youth Advocates provides health care insurance for their employees.

5. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contract, is attached.

- Recommendation:**
1. Amend the proposed resolution to retroactively concur with the Controller's certification.
 2. Approve the proposed resolution as amended.

CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

Department: JUVENILE PROBATION

Contract Services: SHELTER AND INTAKE FOR STATUS OFFENDERS

For the term starting approximately JULY 1, 1996 through JUNE 30, 1997.

1) Who performed services prior to contracting out?

1 FTE 8414 Supervising Probation Officer

1 FTE 8442 Sr. Probation Officer

3 FTE 8440 Probation Officer

2 FTE 8318 Counselor II

14 FTE 8320 Counselor

2) Number of City employees laid off as a result of contracting out?

None.

3) Explain disposition of employees if they were not laid off.

Permanent employees were transferred to other divisions in the department.

4) What percent of a City employee's time is spent on services to be contracted out?

50% - 8442 Sr. Probation Officer

5) How long have the services been contracted out?

In part, since February 1, 1984 and in full since April 1, 1989.

6) When was the first fiscal year for a Proposition 'J' certification?

The first fiscal year for Proposition 'J' certification was 1983/1984.

7) How will contract services meet the goals of your MBE/WBE Action Plan?

MBE/WBE providers were encouraged to respond to department's request for proposal.
Youth Advocates is a non-profit agency.


Cheyenne Bell, Director Community Programs

415 7537813
Telephone

Item 12 - File 25-96-15

Department: Purchasing Department, Central Shops

Item: Resolution concurring with the Controller's certification that security services can continue to be practically performed by a private contractor for a lower cost than similar work services performed by City and County employees.

Services to be Performed: Security patrol services for the building and grounds at the Purchasing Department's Central Shops.

Description: Charter Section 8.300-1 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting for security services at the Purchasing Department's Central Shops for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary <u>Step</u>	Highest Salary <u>Step</u>
<u>City-Operated Service Costs</u>		
Salaries	\$106,585	\$126,125
Fringe Benefits	<u>29,658</u>	<u>32,765</u>
Total City Costs	\$136,243	\$158,890
<u>Contractual Services Cost</u>	<u>68,778</u>	<u>68,778</u>
<u>Estimated Savings</u>	\$67,465	\$90,112

- Comments:**
1. Security services for the Purchasing Department's Central Shops have been provided by an outside contractor since 1983.
 2. The Contractual Services Cost used by the Controller's Office is estimated to be \$68,778 and that amount is included in the Purchasing Department's FY1996-97 budget.
 3. The existing contract with McCoy's Patrol Services to perform security guard services expired on June 30, 1996. The renewed one-year contract with McCoy's Patrol Services

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July 23, 1996 Government Efficiency and Labor Committee Meeting

commences on July 1, 1996. Approval of the proposed resolution should be amended to retroactively concur with the Controller's Certification, according to Mr. Ted Lakey of the City Attorney's Office.

4. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor, is attached.

5. McCoy's Patrol Services does not provide health care coverage for its employees.

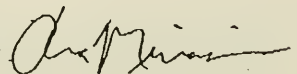
- Recommendation:**
1. Amend the proposed resolution to retroactively concur with the Controller's certification (see Comment No. 3).
 2. Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors.

CHARTER 8.300-1 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: Purchasing
CONTRACT SERVICES: Security Guard Services
CONTRACT PERIOD: July 1, 1996 through June 30, 1997

- (1) Who performed activity/services prior to contracting out?
Class 7410 Automotive Service Worker
- (2) Number of City employees laid off as a result of contracting out?
None
- (3) Explain disposition of employees if they were not laid off?
Employees were reassigned to Service Worker duties that were understaffed.
- (4) What percent of a City employee's time is spent on services to be contracted out?
100% of three (3) employees
- (5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?
Services were originally contracted out in September 1983 and has been on-going since then.
- (6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?
Fiscal Year 1983/84. Yes.
- (7) How will contract services meet the goals of your MBE/WBE Action Plan?
Current contractor is MBE-certified, #21 101 004 48. Next fiscal year's contract has not been awarded yet.
- (8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?
No.

Department Representative:

Ara Minasian

Telephone Number:

554-6215

Sent to Joe Minian
6/18/96

Item 13 - File 30-96-12

- Department:** Department of Public Health (DPH)
Division of Mental Health Services (DMHS)
- Item:** Resolution designating certain facilities as evaluation and treatment facilities pursuant to Welfare and Institutions Code Section 5150 and 5250 et. seq., rescinding Resolutions Numbers 588-94 and 47-70 setting forth previous designations, and authorizing the Deputy Director for Mental Health Services to enter into agreements with said facilities.
- Description:** The State's Welfare and Institutions Code Sections 5150 and 5250 authorize counties to designate hospitals to involuntarily detain persons to provide them with 72-hour psychiatric evaluations and 14-day psychiatric treatments.
- The Board of Supervisors designated seven such facilities, including Langley Porter Psychiatric Institute, San Francisco General Hospital, St. Mary's Hospital and Medical Center, California Pacific Medical Center, St. Francis Memorial Hospital, Westside Community Crisis, and St. Luke's Hospital, through Resolution 588-94 (File 30-94-16), and the San Francisco Veterans Administration Medical Center, through Resolution 47-70 (approved by the Board of Supervisors in 1970).
- This proposed resolution would add the Ralph K. Davies Medical Center to the list of designated facilities, rescinding the previous resolutions and combining all designations into this resolution. The proposed resolution would also authorize the Deputy Director of Mental Health Services to enter into agreements with each of the above listed hospitals to implement the designated facility status. These agreements stipulate the respective responsibilities of the DPH Division of Mental Health Services and the hospitals. For example, the Division of Mental Health Services is responsible for providing pre-admission and post-discharge community mental health services to appropriate individuals. The designated facilities, in turn, are responsible for compliance with Welfare and Institutions Code Sections 5000 et. seq. and other codes, and shall maintain 24-hour per day admission capabilities, in addition to other responsibilities as described in the agreement.
- Comments:** 1. Facilities were last designated as evaluation and treatment facilities in June, 1994 through Resolution 588-94. As noted above, the current designated facilities are the same, with the exception of the addition of the Ralph K.

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Davies Medical Center, which is the subject of the proposed resolution.

2. The proposed resolution would not obligate the City to fund psychiatric services provided to those persons detained involuntarily. Therefore, the proposed resolution would have no fiscal impact for the City.

3. Mr. Bill McConnell of the DPH advises that the DPH has drafted an amendment to the proposed resolution, that would add the San Francisco Mental Health Rehabilitation Facility to the list of designated facilities (in addition to adding the Ralph K. Davies Medical Center to this list, as described above). Since this amendment is a significant amendment, the Department has requested that this item should be continued until the Government Efficiency and Labor Committee meeting on August 13, 1996.

Recommendation: Continue this item until the Government Efficiency and Labor Committee meeting on August 13, 1996.

Memo to Government Efficiency and Labor Committee
 July 23, 1996 Government Efficiency and Labor Committee Meeting

Item 14 - File 64-96-15

SECOND REVISION 7/23/96

Department: Real Estate
 Department of Public Health, Bureau of Environmental
 Health Management (BEHM)

Item: Resolution authorizing a new lease of real property at Fox
 Plaza, 1390 Market Street, for the Department of Public
 Health's Bureau of Environmental Health Management.

Location: Fox Plaza, 1390 Market Street between Polk and Larkin
 Streets. The proposed lease would occupy the office space
 known as Suites 210, 230, 822 and 910, plus basement
 storage space and parking.

**Purpose of
 Lease:** Department of Public Health's (DPH) Bureau of
 Environmental Health Management (BEHM)

Lessor: Calfox, Inc.

Lessee: Department of Public Health's Bureau of Environmental
 Health Management

**No. of Sq. Ft. and
 Cost Per Month:** Approximately 25,939 square feet, including 25,526 square
 feet of rentable office space, and 413 square feet of
 accessible storage, and up to 40 monthly parking spaces.
 The monthly rent is \$34,471.16, or an average of
 approximately \$1.33 per square foot/per month, for a seven
 year period from on or about December 1, 1996 through
 November 30, 2003. The DPH may renew the lease for an
 additional five years at 95 percent of the then fair market
 value. The parking costs are an additional \$100 per vehicle
 per month, or approximately \$4,000 per month (assuming
 the maximum of 40 cars).

Annual Cost: \$413,653.92, plus \$48,000 for parking fees, or \$461,653.92.

Term of Lease: December 1, 1996 through November 30, 2003. The
 commencement of the proposed lease would begin upon
 completion of certain leasehold improvements.

**Utilities and Janitor
 Provided by Lessor:** The City would be responsible for paying for electricity for
 the 14,549 square feet of office space that is separately
 metered, at a cost of approximately \$7,275 (or \$0.50 per
 square foot) per year. Utility costs for the 10,977 square
 feet of office space that can not be separately metered is

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included in the monthly lease cost. The City will not pay utilities for the 413 square feet of accessible storage. The Lessor would provide janitorial and garbage removal services. Commencing in January, 1997 the City will be responsible for paying a pro-rata share of any increase in the Lessor's operating expenses over the base year of 1996.

Right of Renewal: The DPH may renew the lease for an additional five years at 95 percent of the then fair market value, as determined by the landlord. The proposed lease specifically states that the City can dispute the fair market value, and that the City may also determine the fair market value. Disputes between the City's and the landlord's determination may be resolved through arbitration if the City and the landlord cannot reach an agreement through negotiations in good faith. The City can also refuse to exercise the renewal options.

Source of Funds: Department of Public Health's FY 1996-97 budget.

Description: The DPH's Bureau of Environmental Health Services (BEHM) is currently located in nine separate offices throughout the City and County of San Francisco, including six City-owned properties (101 Grove Street and the five District Health Centers) and three leased properties (1380 Howard Street, 1155 Market Street, and Fox Plaza). The Attachment to this report shows the number of staff, the square footage, and the annual cost for all nine BEHM locations. The BEHM provides federal, State and local mandated services, including underground storage tank removal, hazardous materials and waste services, childhood lead prevention, retail and wholesale food inspection, solid waste, asbestos, and emergency response. The DPH reports that centralizing BEHM operations will better serve customers, and also allow for improved supervision of operations and employees. In addition, the Department reports that the space currently occupied by BEHM staff in the DPH District Health Centers will be utilized to provide direct, billable patient care.

Prior to the commencement of the proposed lease, on or about December 1, 1996, the landlord is providing tenant improvements. The City is paying the cost of specialty electrical improvements, data and telephone installation, and moving expenses. The cost of the City's special electrical improvements would be \$2,600, or \$0.10 per square foot, and these costs are also included in the Department of Public Health's FY 1996-97 budget.

Comments:

1. The 144 BEHM staff are currently located in nine locations, as identified in the Attachment to this report, provided by the DPH. The DPH reports that the proposed new lease includes the existing 3,175 square feet of leased office space in Fox Plaza building currently occupied by 19 BEHM staff. The 57 BEHM staff from 101 Grove Street, which is scheduled for seismic retrofitting, will be relocated to the proposed new leased space in Fox Plaza. The Department reports that the leased space vacated by the 22 BEHM staff at 1380 Howard Street and the six BEHM staff at 1155 Market Street will be used to relocate other DPH staff from 101 Grove Street during the seismic retrofitting. The space vacated by the 40 BEHM staff in the five District Health Centers will be used for patient care.

2. There is currently a total of 22,334 square feet of office space at the nine BEHM locations (excluding common areas such as hallways and restrooms) for the 144 BEHM staff, or approximately 155.1 square feet per staff. The BEHM would vacate 19,159 square feet (22,334 less 3,175 square feet of space in Fox Plaza that BEHM would not vacate) and acquire an additional 22,351 square feet of office space in Fox Plaza through the proposed new lease (25,526 square feet minus the 3,175 square feet in Fox Plaza already leased by BEHM, that is included in the proposed new lease), for a total of 25,526 square feet of office space (including common areas), or 177.3 square feet per staff. The DPH reports that common space allocations typically represent an additional 15 percent of usable square footage, so therefore current square footage should be adjusted to 25,684 square feet, or 178.4 square feet per staff, in order to accurately compare the current versus proposed square footage (22,334 square feet plus 15 percent common area, or 3,350 square feet, equals 25,684 square feet).

3. The current annual cost for the nine BEHM locations is \$122,752, which is the cost for the three leased office spaces (the other six locations are City-owned). The average cost for these locations is \$1.05 per square foot per month (\$122,752 per year divided by 9,694 square feet equals \$12.66 per square foot per year, or \$1.05 per square foot per month). The new lease costs for BEHM offices at Fox Plaza would be \$413,653.92 for the proposed new lease at Fox Plaza (this new lease cost includes the 3,175 square feet currently leased by BEHM for \$50,000 per year). As noted in Comment #1, however, the DPH will continue its leases at the 1155 Market Street and 1380 Howard Street locations for use by other DPH staff. As a result, the DPH would have no decrease in other lease costs to offset the

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annual cost of this proposed new lease. The proposed new lease represents an additional cost of \$363,653.92 per year for the Department (\$413,653.92 annually for the proposed new lease, less \$50,000 per year for the existing Fox Plaza lease, which would now be included in the proposed new lease).

4. As previously noted, the City would be responsible for a pro-rata share of any increase in the operating expenses (janitorial and other utilities besides electricity) over the base year of 1996. According to Mr. Steve Hoppe of the Real Estate Department, the operating expense increases in City-leased office buildings have typically ranged from zero to three percent. Based upon this experience with operating expense increases on the City's existing leases, Mr. Hoppe estimates that the cost to the City would be approximately an additional \$6,225 annually (based on typical operating expenses of \$8 per square foot per year, times three percent, or \$0.24 per square foot, times 25,939 square feet), beginning in FY 1997-98. Mr. Hoppe reports that this estimated increase is consistent with those in other leases negotiated by the Real Estate Department.

5. As previously noted, approximately 14,549 square feet of the office space will be separately metered (and utilities will be paid separately by the City), while the remaining 10,977 of office space is fully serviced and includes utility costs. The cost per square foot per month for the separately metered office space is \$1.31, while the cost for the fully serviced office space is \$1.38 per square foot per month. The cost of the 413 square feet of accessible storage space is \$0.68 per square foot per month.

6. The proposed lease includes enclosed parking spaces for up to 40 vehicles, at \$100 per month, or a maximum of \$4,000 per month. Ms. Monique Zmuda of the DPH reports that the BEHM currently uses 36 City-owned vehicles for daily use by BEHM Health Inspectors, and that these vehicles currently park in the City-owned parking spaces at 101 Grove Street and the five District Health Centers, and at 1380 Howard Street, at no cost to the DPH. Ms. Zmuda states that the 40 parking spaces at Fox Plaza included in this proposed lease would be used for these 36 City-owned vehicles, and four other personal vehicles used on a regular basis by Health Inspectors for BEHM inspections.

7. Partial year funding in the amount of \$276,428 was included in the FY 1996-97 budget for the costs associated with this proposed new lease, which is sufficient to cover

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July 23, 1996 Government Efficiency and Labor Committee Meeting

the cost of this proposed new lease from December 1, 1996 through June 30, 1997. Therefore the budget includes sufficient funding for all current leases and this proposed new lease. The Department did not specifically identify this proposed consolidation of BEHM staff and the related lease costs as a programatic change in F'Y 1996-97.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

EXISTING BEHM OFFICE LOCATIONS

<u>LOCATION</u>	<u>CURRENT ANNUAL COST</u>	<u>SQUARE FOOTAGE</u>	<u>STAFF</u>	<u>FUTURE USE</u>
101 GROVE *	0	7,700	57	Seismic Upgrade
MISSION-CASTRO HEALTH CENTER*	0	150	1	Clinical
MAXINE HALL HEALTH CENTER *	0	800	12	Clinical
SILVER AVENUE HEALTH CENTER*	0	1,000	9	Clinical
CHINATOWN HEALTH CENTER *	0	1,800	9	Clinical
OCEAN PARK HEALTH CENTER *	0	1,200	9	Clinical
FOX PLAZA	\$50,000	3,175	19	No Change
1155 MARKET	\$20,000	2,500	6	Vital Statistics
1380 HOWARD	\$52,572	4,009	22	Managed Care, Quality Management, Contracts
TOTALS	\$122,572	22,334	144	

Notes:

- 1) New rental space at Fox Plaza totals 25,900 square feet, including 413 square feet basement storage spaces.
- 2) Square footage for Fox Plaza includes common space allocations, which are not included in existing figures above.
- 3) Average of 180 square feet per person in new lease is in accord with Real Estate Department guidelines.
- 4) ADA Compliance requires additional 15% square footage.

*City-owned building

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

Item 14 - File 64-96-15

REVISED

Department: Real Estate
Department of Public Health, Bureau of Environmental Health Management (BEHM)

Item: Resolution authorizing a new lease of real property at Fox Plaza, 1390 Market Street, for the Department of Public Health's Bureau of Environmental Health Management.

Location: Fox Plaza, 1390 Market Street between Polk and Larkin Streets. The proposed lease would occupy the office space known as Suites 210, 230, 822 and 910, plus basement storage space and parking.

Purpose of Lease: Department of Public Health's (DPH) Bureau of Environmental Health Management (BEHM)

Lessor: Calfox, Inc.

Lessee: Department of Public Health's Bureau of Environmental Health Management

No. of Sq. Ft. and Cost Per Month: Approximately 25,939 square feet, including 25,526 square feet of rentable office space, and 413 square feet of accessible storage, and up to 40 monthly parking spaces. The monthly rent is \$34,471.16, or an average of approximately \$1.33 per square foot/per month, for a seven year period from on or about December 1, 1996 through November 30, 2003. The DPH may renew the lease for an additional five years at 95 percent of the then fair market value. The parking costs are an additional \$100 per vehicle per month, or approximately \$4,000 per month (assuming the maximum of 40 cars).

Annual Cost: \$413,653.92, plus \$48,000 for parking fees, or \$461,653.92.

Term of Lease: December 1, 1996 through November 30, 2003. The commencement of the proposed lease would begin upon completion of certain leasehold improvements.

Utilities and Janitor Provided by Lessor: The City would be responsible for paying for electricity for the 14,549 square feet of office space that is separately metered, at a cost of approximately \$7,275 (or \$0.50 per square foot) per year. Utility costs for the 10,977 square feet of office space that can not be separately metered is

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included in the monthly lease cost. The City will not pay utilities for the 413 square feet of accessible storage. The Lessor would provide janitorial and garbage removal services. Commencing in January, 1997 the City will be responsible for paying a pro-rata share of any increase in the Lessor's operating expenses over the base year of 1996.

Right of Renewal: The DPH may renew the lease for an additional five years at 95 percent of the then fair market value, as determined by the landlord. The proposed lease specifically states that the City can dispute the fair market value, and that the City may also determine the fair market value. Disputes between the City's and the landlord's determination may be resolved through arbitration if the City and the landlord cannot reach an agreement through negotiations in good faith. The City can also refuse to exercise the renewal options.

Source of Funds: Department of Public Health's FY 1996-97 budget.

Description: The DPH's Bureau of Environmental Health Services (BEHM) is currently located in nine separate offices throughout the City and County of San Francisco, including six City-owned properties (101 Grove Street and the five District Health Centers) and three leased properties (1380 Howard Street, 1155 Market Street, and Fox Plaza). The Attachment to this report shows the number of staff, the square footage, and the annual cost for all nine BEHM locations. The BEHM provides federal, State and local mandated services, including underground storage tank removal, hazardous materials and waste services, childhood lead prevention, retail and wholesale food inspection, solid waste, asbestos, and emergency response. The DPH reports that centralizing BEHM operations will better serve customers, and also allow for improved supervision of operations and employees. In addition, the Department reports that the space currently occupied by BEHM staff in the DPH District Health Centers will be utilized to provide direct, billable patient care.

Prior to the commencement of the proposed lease, on or about December 1, 1997, the landlord is providing tenant improvements. The City is paying the cost of specialty electrical improvements, data and telephone installation, and moving expenses. The cost of the City's special electrical improvements would be \$2,600, or \$0.10 per square foot, and these costs are also included in the Department of Public Health's FY 1996-97 budget.

Comments:

1. The 144 BEHM staff are currently located in nine locations, as identified in the Attachment to this report, provided by the DPH. The DPH reports that it intends to maintain the 19 BEHM staff that are already located in leased space in the Fox Plaza building. The 57 BEHM staff from 101 Grove Street, which is scheduled for seismic retrofitting, will be relocated to the proposed new leased space in Fox Plaza. The Department reports that the leased space vacated by the 22 BEHM staff at 1380 Howard Street and the six BEHM staff at 1155 Market Street will be used to relocate other DPH staff from 101 Grove Street during the seismic retrofitting. The space vacated by the 40 BEHM staff in the five District Health Centers will be used for patient care.

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3. The current annual cost for the nine BEHM locations is \$122,752, which is the cost for the three leased office spaces (the other six locations are City-owned). The average cost for these locations is \$1.05 per square foot per month (\$122,752 per year divided by 9,694 square feet equals \$12.66 per square foot per year, or \$1.05 per square foot per month). The new lease costs for BEHM offices at Fox Plaza would be approximately \$463,654 (\$50,000 annually for the existing Fox Plaza lease, and \$413,653.92 for the proposed new lease at Fox Plaza). As noted in Comment #1, however, the DPH will continue its leases at the 1155 Market Street and 1380 Howard Street locations for use by other DPH staff. As a result, the DPH would have no decrease in other lease costs to offset the \$413,653.92 annual cost of this proposed new lease.

4. As previously noted, the City would be responsible for a pro-rata share of any increase in the operating expenses (janitorial and other utilities besides electricity) over the base year of 1996. According to Mr. Steve Hoppe of the Real Estate Department, the operating expense increases in City-leased office buildings have typically ranged from zero to three percent. Based upon this experience with operating expense increases on the City's existing leases, Mr. Hoppe estimates that the cost to the City would be approximately an additional \$6,225 annually (based on typical operating expenses of \$8 per square foot per year, times three percent, or \$0.24 per square foot, times 25,939 square feet), beginning in FY 1997-98. Mr. Hoppe reports that this estimated increase is consistent with those in other leases negotiated by the Real Estate Department.

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7. Partial year funding in the amount of \$276,428 was included in the FY 1996-97 budget for the costs associated with this proposed new lease, which is sufficient to cover the cost of this proposed new lease from December 1, 1996 through June 30, 1997. Therefore the budget includes sufficient funding for all current leases and this proposed new lease. The Department did not specifically identify this proposed consolidation of BEHM staff and the related lease costs as a programmatic change in FY 1996-97.

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

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<u>LOCATION</u>	<u>CURRENT ANNUAL COST</u>	<u>SQUARE FOOTAGE</u>	<u>STAFF</u>	<u>FUTURE USE</u>
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MAXINE HALL HEALTH CENTER *	0	800	12	Clinical
SILVER AVENUE HEALTH CENTER *	0	1,000	9	Clinical
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included in the monthly lease cost. The City will not pay utilities for the 413 square feet of accessible storage. The Lessor would provide janitorial and garbage removal services. Commencing in January, 1997 the City will be responsible for paying a pro-rata share of any increase in the Lessor's operating expenses over the base year of 1996.

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Source of Funds: Department of Public Health's FY 1996-97 budget.

Description: The DPH's Bureau of Environmental Health Services (BEHM) is currently located in nine separate offices throughout the City and County of San Francisco, including six City-owned properties (101 Grove Street and the five District Health Centers) and three leased properties (1380 Howard Street, 1155 Market Street, and Fox Plaza). The Attachment to this report shows the number of staff, the square footage, and the annual cost for all nine BEHM locations. The BEHM provides federal, State and local mandated services, including underground storage tank removal, hazardous materials and waste services, childhood lead prevention, retail and wholesale food inspection, solid waste, asbestos, and emergency response. The DPH reports that centralizing BEHM operations will better serve customers, and also allow for improved supervision of operations and employees. In addition, the Department reports that the space currently occupied by BEHM staff in the DPH District Health Centers will be utilized to provide direct, billable patient care.

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Comments:

1. The 144 BEHM staff are currently located in nine locations, as identified in the Attachment to this report, provided by the DPH. The DPH reports that it intends to maintain the 19 BEHM staff that are already located in leased space in the Fox Plaza building. The 57 BEHM staff from 101 Grove Street, which is scheduled for seismic retrofitting, will be relocated to the proposed new leased space in Fox Plaza. The Department reports that the leased space vacated by the 22 BEHM staff at 1380 Howard Street and the six BEHM staff at 1155 Market Street will be used to relocate other DPH staff from 101 Grove Street during the seismic retrofitting. The space vacated by the 40 BEHM staff in the five District Health Centers will be used for patient care.

2. There is currently a total of 22,334 square feet of office space at the nine BEHM locations (excluding common areas such as hallways and restrooms) for the 144 BEHM staff, or approximately 155.1 square feet per staff. The BEHM would vacate 19,159 square feet (22,334 less 3,175 square feet of space in Fox Plaza that BEHM would not vacate) and acquire an additional 25,526 square feet of office space in Fox Plaza through the proposed new lease, for a total of 28,701 square feet of office space (including common areas), or 199.3 square feet per staff. The DPH reports that common space allocations typically represent an additional 15 percent of usable square footage, so therefore current square footage should be adjusted to 25,684 square feet, or 178.4 square feet per staff, in order to accurately compare the current versus proposed square footage (22,334 square feet plus 15 percent common area, or 3,350 square feet, equals 25,684 square feet).

3. The current annual cost for the nine BEHM locations is \$122,752, which is the cost for the three leased office spaces (the other six locations are City-owned). The average cost for these locations is \$1.05 per square foot per month (\$122,752 per year divided by 9,694 square feet equals \$12.66 per square foot per year, or \$1.05 per square foot per month). The new lease costs for BEHM offices at Fox Plaza would be approximately \$463,654 (\$50,000 annually for the existing Fox Plaza lease, and \$413,653.92 for the proposed new lease at Fox Plaza). As noted in Comment #1, however, the DPH will continue its leases at the 1155 Market Street and 1380 Howard Street locations for use by other DPH staff. As a result, the DPH would have no decrease in other lease costs to offset the \$413,653.92 annual cost of this proposed new lease.

4. As previously noted, the City would be responsible for a pro-rata share of any increase in the operating expenses (janitorial and other utilities besides electricity) over the base year of 1996. According to Mr. Steve Hoppe of the Real Estate Department, the operating expense increases in City-leased office buildings have typically ranged from zero to three percent. Based upon this experience with operating expense increases on the City's existing leases, Mr. Hoppe estimates that the cost to the City would be approximately an additional \$6,225 annually (based on typical operating expenses of \$8 per square foot per year, times three percent, or \$0.24 per square foot, times 25,939 square feet), beginning in FY 1997-98. Mr. Hoppe reports that this estimated increase is consistent with those in other leases negotiated by the Real Estate Department.

5. As previously noted, approximately 14,549 square feet of the office space will be separately metered (and utilities will be paid separately by the City), while the remaining 10,977 of office space is fully serviced and includes utility costs. The cost per square foot per month for the separately metered office space is \$1.31, while the cost for the fully serviced office space is \$1.38 per square foot per month. The cost of the 413 square feet of accessible storage space is \$0.68 per square foot per month.

6. The proposed lease includes enclosed parking spaces for up to 40 vehicles, at \$100 per month, or a maximum of \$4,000 per month. Ms. Monique Zmuda of the DPH reports that the BEHM currently uses 36 City-owned vehicles for daily use by BEHM Health Inspectors, and that these vehicles currently park in the City-owned parking spaces at 101 Grove Street and the five District Health Centers, and at 1380 Howard Street, at no cost to the DPH. Ms. Zmuda states that the 40 parking spaces at Fox Plaza included in this proposed lease would be used for these 36 City-owned vehicles, and four other personal vehicles used on a regular basis by Health Inspectors for BEHM inspections.

7. Partial year funding in the amount of \$276,428 was included in the FY 1996-97 budget for the costs associated with this proposed new lease, which is sufficient to cover the cost of this proposed new lease from December 1, 1996 through June 30, 1997. Therefore the budget includes sufficient funding for all current leases and this proposed new lease. The Department did not specifically identify this proposed consolidation of BEHM staff and the related lease costs as a programmatic change in FY 1996-97.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

EXISTING BEHM OFFICE LOCATIONS

<u>LOCATION</u>	<u>CURRENT ANNUAL COSI</u>	<u>SQUARE FOOTAGE</u>	<u>STAFF</u>	<u>FUTURE USE</u>
101 GROVE *	0	7,700	57	Seismic Upgrade
MISSION-CASTRO HEALTH CENTER*	0	150	1	Clinical
MAXINE HALL HEALTH CENTER *	0	800	12	Clinical
SILVER AVENUE HEALTH CENTER*	0	1,000	9	Clinical
CHINATOWN HEALTH CENTER *	0	1,800	9	Clinical
OCEAN PARK HEALTH CENTER *	0	1,200	9	Clinical
FOX PLAZA	\$50,000	3,175	19	No Change
1155 MARKET	\$20,000	2,500	6	Vital Statistics
1380 HOWARD	\$52,572	4,009	22	Managed Care, Quality Management, Contracts
TOTALS	\$122,572	22,334	144	

Notes:

- 1) New rental space at Fox Plaza totals 25,900 square feet, including 413 square feet basement storage spaces.
 - 2) Square footage for Fox Plaza includes common space allocations, which are not included in existing figures above.
 - 3) Average of 180 square feet per person in new lease is in accord with Real Estate Department guidelines.
 - 4) ADA Compliance requires additional 15% square footage.
- *City-owned building

Item 15 - File 89-96-4

Department: Department of Human Resources
Department of Social Services (DSS)

Item: Resolution authorizing enrollment of Classification 2964 Director of Planning and Budget in the State Disability and Insurance Program.

Description: The proposed resolution would authorize enrollment of Classification 2964 Director of Planning and Budget, in the State Disability and Insurance Program (SDI). The cost of the SDI coverage would be paid by the employee through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is .8 percent of the first \$31,767 of gross salary for each employee, with a maximum of \$254.14 annually. While SDI coverage is mandatory for all employees with bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification request coverage.

The following classification, in DSS, which is not represented by a bargaining unit, would be authorized to enroll in the SDI program under the proposed resolution:

<u>Position</u>	<u>Classification</u>	<u>Number of Employees</u>
2964	Director of Planning and Budget	1

The Employee Relations Division of the Human Resources Department reports that it has received a petition requesting SDI coverage signed by the only employee who occupies the position of 2964 Director of Planning and Budget classification.

Recommendation: Approve the proposed resolution.

Item 16 - File 89-96-5

Department: Human Resources Department
Airport

Item: Resolution authorizing enrollment of Classification 9254 Assistant to the Director into the State Disability Insurance Program

Description: The proposed resolution would authorize enrollment of Classification 9254 Assistant to the Director into the State Disability Insurance Program (SDI). The cost of SDI coverage would be paid by the employee through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

SDI pays disability benefits to employees who suffer a nonindustrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is .8 percent of the first \$31,767 of gross salary for each employee, with a maximum of \$254.14 annually. While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification request coverage.

The following classification within the Airport, which is not represented by a bargaining unit, would be authorized to enroll in the SDI program under the proposed resolution:

<u>Classification</u>	<u>Position</u>	<u>Number of</u>
<u>Employees</u>		
9254	Assistant to the Director	1

The Employee Relations Division of the Human Resources Department reports that it has received a petition requesting SDI coverage signed by the sole incumbent in this classification requesting inclusion in the SDI program. The one employee requesting SDI coverage works for the Airport.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item 17 - File 161-96-5

Item: Resolution supporting acquisition of property at 1800-1810 Market Street for the construction of a community center to serve San Francisco's Lesbian, Gay, Bisexual and Transgender (LGBT) communities.

Description: According to the proposed legislation, San Francisco is the only major city in California without a Community Center serving its LGBT communities. The Horizon Foundation, a Lesbian and Gay Community Foundation, conducted a survey published in May 1995. The survey found that "The Bay Area is severely lacking in local, multi-service community centers that welcome and serve its lesbian and gay youth and adults and that San Francisco has no such centers."

Accordingly, the San Francisco Community Center Project (CCP), a non-profit agency, was established to oversee the creation of an LGBT community center. According to Mr. Scott Shafer of CCP, the Board of Directors of CCP is a self-selected group which represents the diverse community. CCP's mission is to plan, build and operate a self-sufficient community center that will provide a safe, affordable and supportive space to link individuals, within the proposed target groups, with services and programs across racial, religious, political, HIV status, gender, age, and economic lines. Specific services to be provided at the LGBT community center, include, but would not be limited to, (1) offering a meeting place for individuals and organizations; (2) providing an information referral system for those seeking employment, housing, community activities, and support; and (3) serving as a focal point for holding community forums which will include classes, workshops and activities. Additionally, the center would include office and retail space.

The proposed resolution would support the acquisition of property at 1800-1810 Market Street for the construction of a Community Center to serve San Francisco's LGBT communities. In addition, the proposed resolution would also urge the Mayor to support the use of City funds for the construction of a LGBT community center in San Francisco.

Budget: *Construction Costs*

According to Mr. Shafer, the estimated cost of the proposed LGBT community center is approximately \$7.3 million in one-time development and construction costs. These costs, as described below, would include acquisition of the land, site

improvements, renovation of the existing three-story Victorian house, construction of a new building, and other costs associated with construction. The Attachment, as provided by CCP, shows a detailed breakdown of the project costs.

Acquisition of the land and existing Victorian building **\$1,100,000**

CCP, with the assistance of the San Francisco Redevelopment Agency, has negotiated a purchase agreement with the property owner, Mr. Ray Hoffman, to purchase the land and the existing Victorian house, located at 1800-1810 Market Street, between Octavia and Laguna Streets, for \$1,100,000. In June of 1996 a purchase agreement was signed by CCP and the property owner, Mr. Hoffman, which is scheduled to expire in November, 1996. This space currently consists of 11,000 square feet of land and a three-story Victorian house. The land would be used for construction of a new facility, which, along with the existing Victorian house, would serve as the proposed LGBT community center.

Site improvements **\$77,750**

The estimated cost of site improvements, including grading, landscaping, sewer, water and utilities improvements and other work, is approximately \$77,750.

Renovation of the existing Victorian **\$637,500**

Rehabilitation costs to the existing 7,500 square foot Victorian house are estimated at \$637,500, or approximately \$85 per square foot. This work would consist of constructing retail and lobby space, including space designated for a cafe on the first floor. The second and third floors would be converted to support office space (including small offices that share an administrative assistant, copier, conference room, and fax machine).

Construction of the new building **\$3,990,000**

Construction costs for the new building are estimated at \$3,990,000, or approximately 38,000 square feet at \$105 per square foot. This new facility would encompass 38,000 square feet on six floors and would be connected to the existing Victorian house. The new facility would consist of a gay-oriented "City Store" and book/magazine shop, an information desk, meeting rooms for community groups, and informal lounge space on the new building's first floor. The mezzanine level would have a 200-250 seat auditorium, while the second through sixth floors would be used for offices for

community nonprofit organizations. A terrace on the sixth floor would be used for outdoor social events.

Construction Contingency **\$370,200**

This amount is equivalent to approximately 7.9 percent of total construction costs of \$4,705,250 (\$77,750 for site improvements plus \$637,500 for rehabilitation of the Victorian plus \$3,990,000 for the new facility).

Planning, Testing and Other Costs **\$806,063**

Soft costs associated with construction are estimated at \$806,063 and include architectural and engineering fees, plan checking and approval, testing and inspection, legal fees, accounting and auditing fees, project administration, marketing, surveys, landscaping fees, soil/geotechnical surveys, toxic assessment and other costs. CCP advises that soft costs are budgeted at 17.1 percent of direct construction costs of \$4,705,250 because this amount of \$806,063 includes other costs besides architectural and engineering costs, such as testing, inspection, assessment and surveying costs.

Fees **\$317,550**

Other fees include construction insurance, existing tenant relocation, project/construction management fees and taxes.

Total Project Costs **\$7,299,063**

Sources of Funding for Construction-Related Costs

The sources of funding for the construction of the LGBT community center, which include Convention Facilities Management lease revenue bond proceeds, Community Development Block Grant (CDBG) funds, San Francisco Redevelopment Agency (SFRA) funds, Historic Tax credits and private donations and contributions, are described in further detail below.

Convention Facilities Management **\$1,275,000**

Of the estimated \$7.3 million cost of the project, \$1,275,000 has been included in the Convention Facilities Management's FY 1996-97 budget. According to Ms. Margaret Kisliuk of the Mayor's Budget Office, this \$1,275,000 is lease revenue bond proceeds left over from the original Moscone Center expansion bond measure. These funds will be used for land acquisition and planning costs associated with the project.

Community Development Block Grant (CDBG)\$250,000

Mr. Shafer advises that CCP plans to apply for \$250,000 in CDBG funds from the MOCD to support construction and/or offset renovation costs for this project. Such funds, if approved, would be included in the MOCD's FY 1997 CDBG budget.

San Francisco Redevelopment Agency \$1,100,000

Mr. Bob Gamble of the Redevelopment Agency advises that the subject property on which the proposed LGBT Center is to be constructed is part of the Mid-Market Survey Area, which was approved by the Board of Supervisors in November of 1995 (File 291-95-1). Mr. Gamble advises that a Redevelopment Plan and Environmental Impact Report (EIR) are currently being developed for this survey area and are expected to be completed in late 1997. According to Mr. Gamble, the Redevelopment Agency has committed to a contribution of \$1.1 million for the construction of the LGBT Center through the issuance of Tax Increment Bonds for the Mid-Market Redevelopment Project Area, pending approval of the Final Redevelopment Plan and EIR by the Redevelopment Commission and the Board of Supervisors.

Historic Tax Credit \$115,000

Under Federal tax law, the owner of a building which has been designated as a historic site on the Federal register of historic properties is eligible to receive a Federal income tax credit for that property. If the owner of the property is a non-profit organization, Federal tax law allows that agency to sell the tax credit to a private investor in return for development capital, to be used solely to offset the cost off rehabilitating the historic property. The maximum tax credit which can be sold is 20 percent of the rehabilitation cost of the property.

According to Mr. Michael Simmons, a member of the Board of Directors of CCP, CCP plans to file an application to request that the existing Victorian which is located on the proposed site for the LGBT Center be designated as a historic site in order to become eligible for the Federal tax credit. Mr. Simmons advises that CCP would then sell this tax credit in the amount of \$127,500 (20 percent of the rehabilitation cost for the Victorian of \$637,500) to a private investor in return for development capital to be used to partially offset the cost of rehabilitating the Victorian. Mr. Simmons advises that CCP hopes to receive at least \$115,000 in net proceeds from selling the tax credit.

Donations/Fundraising **\$1,335,000**
CCP expects to raise \$1,335,000 in additional funding through major donations (\$700,000) and through contributions from community members, corporations, foundations and individuals (\$635,000).

Total Sources of Funding **\$4,075,000**

As reflected above, thus far, CCP has identified \$4,075,000 in funding sources to pay for the estimated \$7,299,063 in construction costs for the LGBT Center. According to Mr. Simmons, CCP hopes to obtain the remaining \$3,224,063 million still needed to fund the construction of the LGBT Center through additional fundraising and by applying for a loan from the Federal Department of Housing and Urban Development (HUD). Mr. Simmons advises that CCP may request additional funds from the City and from the Redevelopment Agency once the project is underway (in 1997).

Operating Costs and Sources of Funding

CCP has developed a comprehensive business plan that will enable the LGBT community center to be financially self-sufficient once it is open. Mr. Shafer advises that the estimated annual costs to operate the LGBT community center are \$607,500, which includes salaries and benefits for six staff members to operate the building and its programs (\$202,000), administrative costs such as telephone, travel, insurance, equipment and other costs (\$180,500), and building maintenance expenses such as utilities, sewer and scavenger services, security, etc. (\$225,000).

As previously noted, CCP expects the proposed LGBT Center to be completely self-sufficient once opened. As such, Mr. Shafer advises that additional City funding will not be requested to fund any costs associated with operating the LGBT Center. Mr. Shafer advises that the above operating expenses would be paid for with an estimated \$629,354 in revenues generated through lease income, fees and fundraising projects. This \$629,354 would consist of (1) lease income in the amount of \$436,854 from office and retail rents for both the new building and the Victorian house; (2) fee income in the amount of \$45,000 from the use of the meeting rooms and auditorium space; and (3) fundraising income in the amount of \$147,500, including membership fees, major donor income and fundraising projects such as bingo, dances and other special events.

As reflected above, the estimated annual operating revenues of \$629,354 exceed the estimated annual operating expenses of \$607,500 by \$21,854. According to Mr. Simmons, this surplus of \$21,854 could be used by the LGBT Center for debt service payments or to expand services.

Comments::

1. Construction of the LGBT community center is expected to begin in the spring of 1998 and to be completed by the fall of 1999.
2. CCP reports that the construction contractors which will be constructing the new facility and rehabilitating the Victorian house will be selected through a competitive bid process. Additionally, CCP advises that all consultants, including the architect, engineers and other consultants, will be selected through an informal bid process.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

COMMUNITY CENTER PROJECT

DEVELOPMENT BUDGET

	TOTAL	PER SQFT	TOTAL
ACQUISITION			
Land/Victorian Purchase	1,100,000	100.00	
TOTAL ACQUISITION	1,100,000	100.00	1,100,000
SITE IMPROVEMENTS			
Grading	25,000	2.27	
Pavement, curb, gutter, side	12,750	1.16	
Landscaping	0	0.00	
Sewer, Water, Utilities	25,000	2.27	
Retaining Wall	15,000	1.36	
TOTAL SITE IMPROVEMENTS	77,750	7.07	77,750
DIRECT CONSTRUCTION COSTS			
Rehab Construction	637,500	85.00	
New Construction	3,990,000	105.00	
Construction Contingency	370,200	8.14	
TOTAL CONSTRUCTION	4,997,700	109.84	4,997,700
SOFT COSTS			
Architect & Engineer	347,063	7.63	
Plan Checking & Approval	150,000	3.30	
Testing & Inspection	50,000	1.10	
Legal Fees	25,000	0.55	
Accounting/Audit	5,000	0.11	
Project Administration	25,000	0.55	
Marketing & Opening	50,000	1.10	
Title, Recording & Escrow	20,000	0.44	
Survey	7,000	0.15	
Landscaping Fee	15,000	0.33	
Soils/Geotechnical	45,000	0.99	
Toxic Assesment	22,000	0.48	
Soft Cost Contingency	45,000	0.99	
TOTAL SOFT COSTS	806,063	17.72	806,063
FEES			
Insurance	92,550	2.03	
Taxes	10,000	0.22	
Tenant Relocation	75,000	1.65	
Project/Constr Mgmt Fee	140,000	3.08	
TOTAL FEES	317,550	6.98	317,550
TOTAL DEVELOPMENT COSTS	7,299,063	241.60	7,299,063

Capital Budget

Item 18 - File 172-96-22

Department: Department of Human Services (DHS)
(Formerly the Department of Social Services- renamed under the new City Charter)

Item: Resolution authorizing the Executive Director of the Department of Human Services to enter into a Memorandum of Understanding (MOU) with the California State Department of Social Services to perform licensing functions for the State with regard to the licensing of foster family homes.

Description: The Department of Human Services (DHS) has an ongoing Memorandum of Understanding (MOU) agreement with the California State Department of Social Services (CDSS) to perform specific licensing functions for the CDSS with regard to the licensing of foster family homes located in San Francisco.

The functions performed by the Family and Children Services (FCS) Program of the DHS, which pertain to the licensing of foster homes in San Francisco, include the implementation and enforcement of all California State laws, rules, regulations, standards, and policies pursuant to Chapter 3 of the California Health and Safety Code, Chapter 7.5 of Division 6 of the California Code of Regulations, Title 22, and the State's Community Care Licensing Division Evaluator Manual.

Ms. Judy Bley of DHS advises that although the DHS has an existing MOU agreement with the State, and that existing MOU does not have an expiration date, the City is required by the State to enter into a new MOU agreement due to (1) the relocation of the DHS's Family and Children Services Program, and (2) a reorganization of the FCS Program, as required by State regulations, to separate the reporting hierarchy of the staff responsible for performing the licensing functions from the staff responsible for placing children into foster family homes. In May of 1996, the Board of Supervisors approved legislation to relocate the DHS's Family and Children Services Program by no later than August 1 1996 from 1440 Harrison Street to an existing DHS site at 170 Otis Street (File 64-96-3). Ms. Bley advises that funds for the relocation of the Family and Children Services Program to 170 Otis Street have been included in the FY 1996-97 budget.

Comments:

1. Ms. Bley advises that the State reimburses the DHS on an annual basis for administrative expenditures resulting from the performance of the licensing functions required by the State. Ms. Bley advises that the State's annual allocation of \$1,011,625 is included in the FY 1996-97 budget, or \$10,541 less than the annual payment of \$1,022,166 received in FY 1995-96.
2. Ms. Bley advises that the only changes between the existing MOU and the proposed MOU are to reflect (1) the address change for the Family and Children Services Program from 1440 Harrison Street to 170 Otis Street, and (2) the reorganization of the FCS Program, as required by State regulations, to separate the reporting hierarchy of the staff responsible for performing the licensing functions from the staff responsible for placing children into foster family homes.

Recommendation: Approve the proposed resolution.

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July 23, 1996 Government Efficiency and Labor Committee Meeting

Item 19 - File 64-96-13

Department: Department of Real Estate (DRE)
District Attorney

Item: Resolution authorizing extension of an existing month-to-month lease of real property at 732 Brannan Street for the District Attorney

Location: 732 Brannan Street, 2nd Floor

Purpose of Lease: District Attorney's Consumer Fraud and Special Prosecution Units

Lessor: First California Investments, a California Partnership

Lessee: City and County of San Francisco

No. of Sq. Ft. and Cost Per Month: 8,000 square feet, at a rental cost of \$9,250 per month, or approximately \$1.16 per square foot per month

Annual Cost: \$111,000

% Increase over 1995-96 None

Term of Lease: Lease term is on a month-to-month basis, not to exceed 12 months, commencing July 1, 1996 (See Comment No. 2).

Utilities and Janitor Provided by Lessor: Electricity, estimated to cost \$500 per month, or approximately \$6,000 annually, will be separately metered and paid by the City. All other services to the building will be provided by the lessor.

Right of Renewal: Month-to-month

Source of Funds: District Attorney's Consumer Fraud and Special Prosecution Units - General Fund

Comments: 1. Mr. Steve Alms of the Real Estate Department advises the monthly rental amount of \$9,250 for this property reflects the current fair market value of this property.

2. The City has leased this space since July 1984. The original lease was a one year lease with a series of four, one year options. The last option expired on June 30, 1990, and has since been reestablished as a month-to-month lease. The reason for a month-to month lease is because this location is not wheelchair accessible. Therefore, the District Attorney is investigating other possible sites for the relocation of its Consumer Fraud and Special Prosecution Units.

3. Funding for the above-noted lease has been included in the District Attorney's FY 1996-97 Budget.

4. As noted above, the City extended its lease agreement with First California Investments, a California Partnership, on July 1, 1996. Therefore the proposed lease would be retroactive to July 1, 1996. As such, the proposed resolution should be amended to provide for ratification of action previously taken.

5. Mr. Alms states that the proposed resolution should be amended to refer in all places to First California Investments, a California Partnership, rather than First California Investors.

Recommendation:

1. Amend the proposed resolution to provide for ratification of action previously taken.

2. Amend the proposed resolution to refer in all places to First California Investments, a California Partnership, rather than First California Investors.

3. Approve the proposed resolution as amended.

Item 20 - File 148-95-6.1

Department: Department of Public Works

Item: Hearing to consider release of reserved funds in the amount of \$109,990 for roadway work on City streets in accordance with the State-Local Transportation Program.

Amount: \$109,990

Source of Funds: California Department of Transportation (CALTRANS)

Description: On January 2, 1996 the Board of Supervisors approved a resolution authorizing the Department of Public Works (DPW) to expend up to \$492,312 from the State of California for roadway work on City streets, as part of the State-Local Transportation Partnership Program (File 148-95-6). The State-Local Transportation Partnership Program was created for the purpose of funding transportation improvements throughout the State, and is administered by CALTRANS. The \$492,312 in State funds provides monies for the sixth year of the ten-year Program.

The grant funding is to be used by the Department of Public Works to pay for contractual services associated with resurfacing and/or reconstruction of 36 City streets, combined under 10 projects. At the time the Board of Supervisors approved the above-mentioned resolution, contractors had been selected for five of the 10 projects. The Board of Supervisors placed \$240,308 of the \$492,312 on reserve pending the selection of contractors for the remaining five projects, the contract cost details, and the MBE/WBE status of the contractors.

At this time, the DPW is requesting the release of \$109,990 of the reserved funds, for three of the remaining five street projects, as identified on the following page. The DPW has selected contractors for these projects through a competitive bid process. The Attachment to this report shows the bids and MBE/LBE/WBE status of the bidders for each project.

Project Funding: Funding for each project is a combination of State grant funds and local matching funds, from previously allocated Half Cent Sales Tax revenue from the San Francisco Transportation Authority. The State grant funds are equal to 5.88 percent of the total eligible costs, which are determined by CALTRANS for each of the projects included in the Program. The remaining 94.12 percent of eligible costs are paid for with Half Cent Sales Tax revenue, and all

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ineligible costs (including any work on these projects that is not resurfacing or street repaving, such as sewer repair or railroad track removal) are also paid from Half Cent Sales Tax revenue.

Budget: Total costs are shown below for each of the three projects included in this proposed release of reserves:

Project	CAL- TRANS Grant	+	Local Match (Sales Tax)	=	Eligible Costs	+	Ineligible Costs (Sales Tax)	=	Total Costs
Florida Street, Indiana Street, Wisconsin Street & 19th Street <i>Repaving Florida St. from Treat Ave. to Army St., Indiana St. from Mariposa to Army St., Wisconsin St. from 20th St. to Connecticut St., and 19th St. from Pennsylvania to Carolina St.</i>	\$58,238	+	\$932,206	=	\$990,444	+	\$908,257	=	\$1,898,701
Diamond Street, Castro Street, & 25th Street <i>Repaving Diamond St. from 22nd to 24th Sts., Castro St. from 17th to 18th Sts., and 25th St. from Diamond to Fountain Sts.</i>	20,785	+	332,694	=	353,479	+	0	=	353,479
Various Locations, Concrete Street Reconstruction #9 <i>Fillmore from Broadway to Vallejo Sts., Lyon St. from Pacific St. to Broadway St., Webster St. from Broadway to Green Sts., and Broadway St. from Scott to Divisadero Sts.</i>	<u>30,967</u>	+	<u>495,688</u>	=	<u>526,655</u>	+	<u>68,820</u>	=	<u>595,475</u>
Total	<u>\$109,990 + \$1,760,588 = \$1,870,578 + \$977,077 = \$2,847,655</u>								

Required Match: \$1,760,588 - The funding sources for this required local match will be previously allocated Half Cent Sales Tax revenue from the San Francisco Transportation Authority.

Comments: 1. According to Ms. Tina Olson of the DPW, the DPW has selected contractors for the three projects noted above. The contract amounts, contractors, subcontractors and MBE/WBE/LBE participation for each project is shown below:

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Florida, Indiana, Wisconsin & 19th Street Project: \$1,898,701

Prime Contractor:

Marinship Construction Services / Ghilotti Bros. Construction, A Joint Venture

Marinship (MBE)	40.0%
Ghilotti Bros.	38.8

Subcontractors:

Mendelian (MBE)	8.6
S & S Trucking (MBE)	9.2
John Thomas (MBE)	2.3
Gomez Iron Work (MBE)	<u>1.1</u>

Total MBE Participation: 61.2%

Diamond, Castro, and 25th Street Project \$353,479

Prime Contractor

Esquivel Grading & Paving, Inc. (MBE) 74.5%

Subcontractors:

Cobra Trucking (MBE)	14.5
A. Ruiz Construction (MBE)	5.5
ABSL, Inc. (MBE)	<u>5.5</u>

Total MBE Participation: 100.0%

Concrete Street Reconstruction #9 (various locations) \$595,475

Prime Contractor:

Bauman Landscape / Vargas Esquivel, A Joint Venture

Bauman Landscape	40.3%
Vargas Esquivel (MBE)	47.0

Subcontractors:

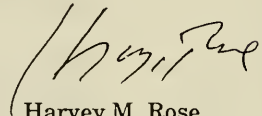
M/H Construction	2.0
Vickers Concrete	3.0
P & K Trucking	<u>7.7</u>

Total MBE Participation: 59.7%

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
July 23, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approve the proposed release of reserved funds.



Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Yaki
Supervisor Katz
President Shelley
Supervisor Alioto
Supervisor Bierman
Supervisor Brown
Supervisor Hsieh
Supervisor Kaufman
Supervisor Leal
Supervisor Teng
Clerk of the Board
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

Job Order	Project Limits	Eligible Cost	State Funds (5.88%)	Local Match (%)	Bidders & Bid Amount	Selected Contractor
7455E	FLORIDA ST., INDIANA ST., WISCONSIN ST., AND 19TH ST. Florida Street (Treat Ave. to Army St.) Indiana Street (Mariposa St. to Army St.) Wisconsin Street (20th St. to Connecticut St.) 19th Street (Pennsylvania St. to Carolina St.)	\$990,444	\$58,238	\$932,206	<ul style="list-style-type: none"> Marinship Const. Serv./Ghilotti Brothers Const., JV (MBE/LBE, JV10%) Esquivel Grading & Paving, Inc. (MBE/LBE) Interstate/M H A, JV (MBE/LBE, JV10%) Ramirez Engineering Corp. (MBE/LBE, JV10%) 	Marinship Const. Serv./Ghilotti Brothers Const. (MBE/LBE, JV10%)
1051N	DIAMOND STREET, CASTRO STREET, AND 25TH STREET Diamond Street (22nd to 24th Sts.) Castro Street (17th to 18th Sts.) 25th Street (Diamond to Fountain)	\$353,479	\$20,785	\$332,694	<ul style="list-style-type: none"> Esquivel Grading & Paving, Inc. (MBE/LBE) Interstate/M H A, JV (MBE/LBE, JV10%) Bauman Landscape Inc. Ramirez Engineering Corp. (MBE/LBE, JV10%) Marinship Const. Serv./Ghilotti Brothers Const., JV (MBE/LBE, JV10%) 	Esquivel Grading & Paving, Inc. (MBE/LBE)
1050N	VARIOUS LOCATIONS, CONCRETE STREET RECONSTRUCTION #9 Fillmore Street (Broadway to Vallejo Sts.) Lyon Street (Pacific Ave. to Broadway St.) Webster Street (Broadway to Green Sts.) Broadway Street (Scott to Divisadero Sts.)	\$526,655	\$30,967	\$495,688	<ul style="list-style-type: none"> Bauman Landscape/Vargas Esquivel (MBE/LBE, JV10%) Interstate/M H A, JV (MBE/LBE, JV10%) Esquivel Grading & Paving, Inc. (MBE/LBE) Marinship Const. Serv./Ghilotti Brothers Const., JV (MBE/LBE, JV10%) A. Ruiz Construction Co. & Assoc., Inc. 	Bauman Landscape/Vargas Esquivel (MBE/LBE, JV10%)
TOTAL		\$1,870,578	\$109,990	\$1,760,588		

* Funded by Sales Tax

REQUESTED AMOUNT TO BE RELEASED \$ 109,990

MINUTES

REGULAR MEETING GOVERNMENT EFFICIENCY AND LABOR COMMITTEE BOARD OF SUPERVISORS CITY AND COUNTY OF SAN FRANCISCO

8.31
TUESDAY, JULY 23, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ

ABSENT: SUPERVISOR YAKI ON ITEMS 17 - 23.

CLERK: MARY L. RED

TIME MEETING CONVENED 1:00 P.M.

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CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine, and will be acted upon by a single roll call vote. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed and considered as a separate item.
 - (a) File 146-96-11. [Federal Grant, Comprehensive Information System] Resolution authorizing the Department of Public Health, Community Public Health Services, to apply for retroactively a grant of \$200,000 from the Health Services and Resources Administration (HRSA) for a comprehensive information system for children; providing for ratification of action previously taken. (Supervisor Leal)
 - (b) File 213-96-4. [Grant, Advanced Technology Transit Bus Project] Resolution authorizing the Public Transportation Commission to apply for, retroactively accept and expend up to \$7,000,000 (including local match) of Federal Transit Administration Capital Assistance Section 3 funds to carry out Advanced Technology Transit Bus (ATTB) Demonstration Project activities; placing \$7,000,000 on reserve. (Supervisor Leal)
 - (c) File 38-96-11. [Gift Acceptance, DPH-Laguna Honda Hospital] Resolution authorizing the Department of Public Health, Laguna Honda Hospital, to accept and expend a gift of cash and shares of stock in the value of up to \$80,565.35 bequeathed to Laguna Honda Hospital through the Last Will and Testament of Ermet M. Dirovizza, to be expended for "the specific use of patients' activities on holidays". (Supervisor Alioto)

ACTION: Item 1c removed for comment by Supervisor Ammiano; all items on consent calendar RECOMMENDED.

REGULAR CALENDAR

2. File 146-96-6.1 [Reserved Funds, Department of Public Health] Hearing to consider release of reserved funds, Department of Public Health (Federal grant for substance abuse treatment), in the amount totaling \$44,000 (Psychiatrics services \$20,000, and coordination services for the Faith Initiative \$24,000), for Target Cities Project. (Department of Public Health) (Continued from 7/9)

SPEAKERS: Larry Merridith, Public Health; Supervisor Ammiano; Supervisor Yaki.

ACTION: Release of funds in the amount of \$44,000 approved. FILED.

3. File 27-96-7. [Airport Lease Modification, USAir, Inc.] Ordinance approving Modification No. 8 to Lease and Use Agreement between USAir, Inc. and the City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)

SPEAKERS: Stan Jones, Budget Analyst.

ACTION: Hearing held. Amended in title to show retroactivity. New title: "Approving retroactively, Modification No. 8 to Lease and Use Agreement between USAir, Inc. and the City and County of San Francisco, acting by and through its Airports Commission." RECOMMENDED AS AMENDED.

4. File 27-96-8. [Termination of Lease, Continental Airlines] Ordinance approving early termination of Lease Nos. PUC 21391 and 21968 between Continental Airlines, Inc. and the City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)

SPEAKERS: None.

ACTION: Hearing held. Amended to provide for ratification of actions previously taken. New title: "Approving early termination of Lease Nos. PUC 21391 and 21968 between Continental Airlines, Inc. and the City and County of San Francisco, acting by and through its Airports Commission; providing for ratification of actions previously taken." RECOMMENDED AS AMENDED.

5. File 97-96-38. [Pest Detection and Trapping] Ordinance amending Administrative Code by adding Section 1.13-9 to authorize the President of the Board of Supervisors or the President's designee to execute an annual contract between the City and County of San Francisco and the California Department of Food and Agriculture for exotic pest detection and trapping. (Department of Agriculture and Weights and Measures)

SPEAKERS: Fred Crowder, Dept. Agriculture.

ACTION: RECOMMENDED.

6. File 93-94-17.5. [Compensation, Arbitrator's Award] Ordinance amending Ordinance No. 316-94 to implement the provisions of the arbitrator's award amending the Memorandum of Understanding between the Building Inspectors Association and the City and County to be effective July 1, 1996 through June 30, 1997. (Supervisors Shelley, Bierman)

SPEAKERS: Geoffrey Rothman, Human Resources Dept.

ACTION: RECOMMENDED.

7. File 154-96-1.1. [Retirement] Ordinance authorizing amendment to the contract between the City and County and the Board of Administration of the California Public Employees' Retirement System, to transfer prior service for safety members in the Adult and Juvenile Probation Departments who elected prospective membership on September 1, 1990. (Supervisors Yaki, Bierman)

SPEAKERS: Claire Murphy, Retirement System; Supervisor Yaki.

ACTION: RECOMMENDED.

8. File 93-95-52.1. [Amendment to MOU, Local 856] Ordinance amending Ordinance No. 21-96 to implement the provisions of a Memorandum of Understanding between the Freight Checkers, Clerical Employees and Helpers, Local 856, and the City and County of San Francisco for Bargaining Unit 11B, Supervising Registered Nurses, effective July 1, 1996 through June 30, 1997. (Department of Human Resources)

SPEAKERS: Geoffrey Rothman, Human Resources Dept.

ACTION: RECOMMENDED.

9. File 25-96-11. [Prop J Contract, Prime Vendor Distribution Program] Resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the Department of Public Health by private contractor for a lower cost than similar work services performed by City and County employees. (Department of Public Health)

SPEAKERS: Supervisor Ammiano; Rich Cordova, SFGH Administrator; Supervisor Yaki; Supervisor Katz; Dwight Starr, Public Health Dept.; Ann Kronenberg, Health Dept.

Support: Edwin Lee, Human Rights Commission; Dale Butler, Local 790.

Oppose: David Novogrodsky, Local 21; Carlos Chavez;

ACTION: Hearing held. Consideration continued to August 13.

10. File 25-96-12. [Prop J Contract, Court Management System] Resolution concurring with Controller's certification that services of the Court Management System Coordinator can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Municipal Court)

SPEAKERS: Peggy Hetcham, Municipal Court.

ACTION: RECOMMENDED.

11. File 25-96-14. [Prop J Contract, Intake/Shelter Services] Resolution concurring with the Controller's certification that intake and shelter services to status offenders can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. (Juvenile Probation Department)

SPEAKERS: Cheyenne Bell, Juvenile Probation.

ACTION: Hearing held. Amended to retroactively concur with the Controller's certification. New title: "Concurring retroactively, with the Controller's certification that intake and shelter services to status offenders can be practically performed by private contractor for lower cost than similar work services performed by City and County employees. RECOMMENDED AS AMENDED.

12. File 25-96-15. [Prop J Contract, Security Guard Services] Resolution concurring with the Controller's certification that security services can be practically performed by private contractor for lower cost than similar services performed by City and County employees. (Purchasing Department)

SPEAKERS: David Calman, Central Shops, Purchasing; Supervisor Yaki; Supervisor Katz; Ted Lakey, City Attorney.

ACTION: Hearing held. Amended to retroactively concur with the Controller's certification. New title: "Concurring retroactively with the Controller's certification that security services can be practically performed by private contractor for lower cost than similar services performed by City and County employees." RECOMMENDED AS AMENDED.

13. File 30-96-12. [DPH Designation Agreement] Resolution designating certain facilities as evaluation and treatment facilities; rescinding Resolution Numbers 588-94 and 47-70 setting forth previous designations; and authorizing the Deputy Director for Mental Health Services to enter into agreements with said facilities. (Department of Public Health)

SPEAKERS: Bill McConnell, Public Health.

ACTION: Hearing held. Amendment of the Whole (as presented by department) accepted. Same title. Consideration continued to August 13 at request of department.

14. File 64-96-15. [Lease of property, 1390 Market St/Fox Plaza] Resolution authorizing a lease at Fox Plaza for the Department of Public Health. (Real Estate)

SPEAKERS: Toni DeLucchi, Real Estate Dept.

ACTION: RECOMMENDED.

15. File 89-96-4. [SDI Coverage, 2964 Director of Planning and Budget] Resolution authorizing enrollment of classification 2964 Director of Planning and Budget in the State Disability Insurance Program. (Department of Human Resources)

SPEAKERS: Geoffrey Rothman, Human Resources Dept.

ACTION: RECOMMENDED.

16. File 89-96-5. [SDI Coverage, Classification 9254] Resolution authorizing enrollment of classification(s) 9254 Assistant to the Director, Bureau of Communications in the State Disability Insurance Program. (Department of Human Resources)

SPEAKERS: Geoffrey Rothman, Human Resources Dept.

ACTION: RECOMMENDED.

VOTE ON ITEMS 1-16 WAS 3-0.

17. File 161-96-5. [Lesbian, Gay, Bisexual, Transgender Center] Resolution supporting the construction of a community center to serve San Francisco's lesbian, gay, bisexual and transgender communities. (Supervisors Katz, Leal, Ammiano, Alioto, Brown, Bierman, Kaufman, Shelley, Teng, Yaki, Hsieh)

SPEAKERS: Scott Schafer, Pres. Gay, Lesbian Community Center; Supervisor Ammiano; Gail Goldman, Redevelopment Agency; Supervisor Katz.
Supports: Tamara Ching; Brenda Barnette; Randy Miller; Derek Gordon, AIDS Foundation; Quang Dang; Larry Martin; Robin Grear; Peggy Hughes; Jeff Sheehy, Harvey Milk Democratic Club.

ACTION: RECOMMENDED. Supervisor Yaki absent.

18. File 172-96-22. [Agreement, DHS - CA State Dept of Social Services] Resolution authorizing the Executive Director of the Department of Human Services to enter into an agreement with the California State Department of Social Services to perform licensing functions for the State with regard to Foster Family Homes. (Department of Social Services)

SPEAKERS: None.

ACTION: Consideration continued to August 13. Supervisor Yaki absent.

19. File 64-96-13. [Lease Extension at 732 Brannan Street] Resolution authorizing extension of an existing month-to-month lease of real property at 732 Brannan Street for the Office of the District Attorney. (Real Estate Department)

SPEAKERS: Anthony DeLucchi, Real Estate Dept.

ACTION: Hearing held. Amended to change "First California Investors" to "First California Investments, a California Partnership"; and to provide for the ratification of actions previously taken. New title: "Authorizing extension of an existing month-to-month lease of real property at 732 Brannan Street for the Office of the District Attorney; providing for ratification of actions previously taken." RECOMMENDED AS AMENDED. Supervisor Yaki absent.

20. File 148-95-6.1 [Reserved Funds, Department of Public Works] Hearing to consider release of reserved funds, Department of Public Works, in the amount of \$109,990 for roadway work on City streets in accordance with the State-Local Transportation Program, 6th Cycle. (Department of Public Works)

SPEAKERS: Tina Olsen, Public Works Dept.

ACTION: Release of funds in the amount of \$109,990 approved. FILED.

SPECIAL ORDER – 3:00 P.M.

21. File 176-96-4. [Labor Issues] Hearing to consider employment discrimination at NORCAL. (Supervisor Ammiano)

SPEAKERS: Supervisor Ammiano; Dan Dillon, NORCAL; Lenward Crease; Mike; Vince Camp; Supervisor Katz; Oliver Hunt; Kouang Li; Floyd Ray.

ACTION: Hearing held. Consideration continued to call of the chair. Supervisor Yaki absent.

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(b) to discuss with the City Attorney anticipated litigation related to the following item.

22. File 188-96-1.1. [Water Dept. Bernal Heights Statute of Limitations] Resolution authorizing City Attorney to negotiate and enter into agreement with Alameda County and the City of Pleasanton to extend the statute of limitations for lawsuit, if any, related to land use entitlements for the San Francisco Water Department's Bernal property. (Public Utilities Commission)

ACTION: RECOMMENDED. Supervisor Yaki absent.

LITIGATION

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

23. File 48-96-21. [Settlement of Claim, Alex Konstantinoff] Resolution approving the settlement of the unlitigated claim of Alex Konstantinoff by payment of \$13,500. (City Attorney)

ACTION: RECOMMENDED. Supervisor Yaki absent.

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the above two items at this time and may move not to disclose any information at this time.

VOTE ON ITEMS 17-23 WAS 2-0.

TIME MEETING ADJOURNED 4:25 P.M.

90.31
13/96
rescheduled
to 8/20/96

BOARD of SUPERVISORS



401 Van Ness Avenue, Room 308
San Francisco 94102-4532
554-5184

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NOTICE OF RESCHEDULED MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE

NOTICE IS HEREBY GIVEN that the regularly scheduled meeting of the Government Efficiency and Labor Committee for Tuesday, August 13, 1996, at 1:00 p.m., has been rescheduled to Tuesday, August 20, 1996, at 1:00 p.m., in Room 410, Veterans Building, 401 Van Ness Avenue, San Francisco, California.

A handwritten signature in cursive script that reads "John Taylor".
JOHN L. TAYLOR
Clerk of the Board

POSTED: AUGUST 7, 1996

MINUTES

SPECIAL MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

THURSDAY AUGUST 15, 1996 - 12:30 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 404

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ

ABSENT: SUPERVISOR YAKI FOR ITEM 2 AND SUPERVISOR KATZ FOR ITEM 3.

CLERK: MARY L. RED

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TIME MEETING CONVENED 12:30 P.M.

FEB 11 1997

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CONFERENCE WITH CITY ATTORNEY
ANTICIPATED LITIGATION AS DEFENDANT

1. The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9 (b) to discuss with the City Attorney and the Director of the Department of Public Health the significant exposure to litigation against the City and County of San Francisco that may exist should the City adopt legislation proclaiming a state of medical emergency regarding the provision of medical marijuana for people living with HIV/AIDS and other medical conditions benefiting from marijuana use.

MOTION

- a) Motion that the Board of Supervisors convene in closed session with the City Attorney and the Director of the Department of Public Health for the purpose of discussing the possibility of anticipated litigation against the City related to the adoption of legislation by the City and County of San Francisco that would proclaim a state of medical emergency regarding the provision of medical marijuana for people living with HIV/AIDS and other medical conditions benefiting from marijuana use.

Question on adoption Adopted; convened 12:32 p.m. Adjourned 12:55 p.m.

After a Closed Session, if on occurs,
the Committee shall adopt motion b or c

- b) Motion that the committee finds that it is in the best interests of the public that the Committee elect at this time not to disclose its closed session deliberations concerning the possible litigation.

Question on adoption Adopted

- c) Motion that the Committee finds that it is in the public interest to disclose information discussed in closed session, and directs the Chair immediately to disclose that information.

Question on adoption _____

2. File 30-96-15. [Medical Marijuana Emergency] Resolution requesting the Director of the Department of Public Health submit to the Board a proclamation of a state of medical emergency regarding the provision of medical marijuana for people living with HIV/AIDS and other medical conditions benefiting from marijuana use. (Supervisors Ammiano, Bierman, Leal, Alioto, Katz, Kaufman)

STATUS: Supervisor Ammiano; Dr. Sandra Hernandez, Public Health Dept.; Terence Hallinan, District Attorney; John Willett, Deputy Chief Police Dept.; Supervisor Yaki; Supervisor Katz; Dennis Perron, Cannabis Club; Paul Horcher, Mayor's Office; Supervisor Bierman.
Dr. Tod Mikuriya; Dr. Wally Krampf, Health Dept.; Dr. Stephen Ellis; Anthony Alberts; Hazel Rodgers; Dixie Romagno; Dr. William Steinsmith; Leslie Thomas; Jason's Father; Dr. Vic Hernandez; Padro Fernandez; Thomas Hallis; Joe Trevar; Randy Webster; Clint Warner; Hall Womack; Franklin Miller; Mike Aldridge; Leland Cole; Dale Gieriujer; Nicholas Stevenson; Mike Curtis; Kay Ebeling; Greg; Mike Cook, AIDS; Mike; Laura Thomas, S.F. AIDS Foundation; John O'Brien; Janet Gardner; Jonh Entwistle; Richard; Jo Daley; Mike Bella; Mr. Fontane; Barbara; Scott Higgenson; Mitchell; Jeff.

ACTION: Hearing held. Consideration continued to call of the chair.
(Supervisor Yaki absent for vote)

3. File 12-96-41. [Cannabis Buyers Club] Hearing to consider the circumstances involved in a raid on San Francisco's Cannabis Buyers Club conducted by the Attorney General and his state Bureau of Narcotics Enforcement investigators. (Supervisors Ammiano, Bierman, Leal, Katz, Alioto)

SPEAKERS Deputy Chief Willet, Police Dept.; Terence Hallinan, District Attorney; Supervisor Ammiano; Supervisor Katz.
Dennis Perron; Basil Gabriel; Clifford Miarity; Mr. Lomach; Ms. Simpson, Gray Panthers; Lynn Barnes; Ms. Webster; Carol-Jo Pabich; Rick Bastion; Allan White; Sherrie.

ACTION: Hearing held. Consideration continued to call of the chair.
(Supervisor Katz absent for vote)

TIME MEETING ADJOURNED 4:20 P.M.

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8/20/96

CITY AND COUNTY



OF SAN FRANCISCO

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BOARD OF SUPERVISORS

BUDGET ANALYST

1390 Market Street, Suite 1025, San Francisco, CA 94102 (415) 554-7642
FAX (415) 252-0461

August 16, 1996

TO: Government Efficiency and Labor Committee
FROM: Budget Analyst *Recommendations for meeting of...*
SUBJECT: August 20, 1996 Government Efficiency and Labor Committee Meeting

Item 1a - File 27-96-10

Department: Airports Commission

Item: Resolution authorizing the Airports Commission to seek, accept and expend funds for a CalTrain-San Francisco International Airport (SFO) Shuttle from the Bay Area Air Quality Management District under AB434 funds, Clean Air Act Legislation, for the 1997 service year; waiving indirect costs.

Grant Amount: An estimated \$88,000, representing 20 percent of the estimated FY 1996-97 shuttle operation costs of \$440,000.

Grant Period: Approximately October 1, 1996 through September 30, 1997

Source of Funds: Bay Area Air Quality Management District (BAAQMD)

Project: CalTrain/SFO Shuttle

Description: The proposed resolution would authorize the Airport to seek, accept and expend funds from the BAAQMD for the off-Airport (not on Airport premises) portion of the

CalTrain/SFO shuttle service for a fourth year of operations. According to the Airport, the shuttle is intended to reduce traffic congestion at and near the Airport as well as to improve air quality. This grant request represents 20 percent, or \$88,000 of the total estimated shuttle operation outside contract costs of \$440,000 for FY 1996-97 because 20 percent of the shuttle's operations take place off of the Airport premises.

The free shuttle service, which is provided to airline passengers and airline/airport employees, currently operates seven days a week between the Millbrae CalTrain Station and the Airport. Since the shuttle service began in February of 1994, ridership has increased from approximately 60 patrons daily to approximately 206 patrons daily in March, 1996. According to Ms. Janice Gendreau of the Airport, prior to September of 1995, the Airport contracted with CalTrain to operate the shuttle through a subcontract between CalTrain and the Industrial Passenger Service company. However, since October of 1995, Ms. Gendreau advises that the Airport has contracted directly with the SFO Airporter company to operate the shuttle service.

Budget: Although the proposed legislation requests authorization to seek, accept and expend the proposed grant funds, Ms. Gendreau advises that the proposed grant funds have not yet been awarded by the BAAQMD. Therefore, the proposed resolution should be amended to delete reference to accepting and expending the subject grant funds. Ms. Gendreau advises that budget details for the approximately \$440,000 contract with the SFO Airporter Company will be provided when the Airport requests the approval of the Board of Supervisors to accept and expend the proposed grant funds.

Required Match: \$352,000 (\$440,000 less \$88,000, or approximately 80 percent of the total cost) has been included in the Airport's FY 1996-97 budget. (The Airport pays 80 percent of the total shuttle operation costs from Airport revenues because 80 percent of the shuttle's operations take place on Airport premises.)

Indirect Costs: None (See Comment No. 2)

Comments: 1. In summary, the proposed resolution would provide grant funding for the off-Airport (not on Airport premises) portion of the Airport's shuttle operations, or approximately \$88,000, or 20 percent of total project costs, with the balance of \$352,000 for the shuttle operation costs, or 80 percent of the total costs, to be funded from the Airport's FY 1996-97 budget.

BOARD OF SUPERVISORS
BUDGET ANALYST

2. Mr. Derek Chu, Airport Budget Manager, advises that the indirect costs were not included as part of the grant application because the waiver of the indirect costs makes the grant application more favorable for an award, and because the Airport, through the Annual Service Payment to the City, calculated as 15 percent of concession revenues, already pays for City-wide administrative overhead costs. Therefore, as in FY 1995-96, the Airport is requesting that indirect costs for the proposed grant be waived.

3. Ms. Gendreau advises that the application for funding for a fourth year of service, October 1, 1996 through September 30, 1997, was due on June 28, 1996. Therefore, the Airports Commission has already submitted the proposed funding application. Consequently, the proposed resolution should be amended to provide retroactive authorization to seek BAAQMD grant money for the CalTrain-SFO Shuttle.

4. The Airport has prepared a Disability Access Checklist which is on file in the Clerk of the Board's office.

5. Attached is a Summary of Grant Request form.

Recommendation:

1. Amend the proposed resolution to delete reference to accepting and expending the proposed grant funds.

2. Amend the proposed resolution to provide retroactive authorization for the Airports Commission to seek the requested grant funds.

3. Approve the proposed resolution as amended.

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Airports Commission SFIA, Landside Operations

Contact Person: Janice Gendreau Telephone: (415) 876-2158

Project Title: CalTrain-SFO Shuttle

Grant Source: BAAQMD AB 434 Funds

Proposed (New / Continuation) Grant Project Summary:

The CalTrain-SFO Shuttle began weekday operation in February 1994, and expanded to daily service in February 1995. The on-Airport portion of the Shuttle operation (80%) is funded by the Airport; the off-Airport portion (20%) was funded by the Air District during the first two years of operation. The Airport applied for, but was not awarded funds for operation during 1996. In order to continue operation during 1996, the Airport obtained funds from San Mateo County as part of an Agreement negotiated between the County and the Airport. On June 11, the Airports Commission authorized Airport staff to seek funds for the off-Airport portion for 1997.

This grant application does not compete for County-designated funds but for general funding eligible to public agencies.

Amount of Grant Funding Applied for: .20% of total shuttle operation

Maximum Funding Amount Available: Unknown

Required Matching Funds: 80%, on-Airport portion

Number of Positions Created and Funded: N/A

Amount to be Spent on Contractual Services: N/A

Will Contractual Services be put out to Bid? yes

Term of Grant: One Year

Date Department Notified of Available funds: April 12, 1996

Application Due Date: June 28, 1996

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Sheldon R. Fein
Department Head Approval

Sheldon R. Fein
Assistant Deputy Director -- Landside Operations

Item 1b - File 27-96-11

Department: Airport

Item: Resolution authorizing the Airports Commission to file an application for and accept and expend the proposed grant funds in the amount of \$9,892,664 from the Federal Aviation Administration for improvements at the Airport.

Grant Amount: \$9,892,664

Grant Period: Duration of the program (five years)

Source of Funds: Federal Aviation Administration (FAA)

Project: Airport Improvement Program (AIP) No. 96-1

Description: The proposed resolution would authorize the Airport to seek Federal assistance for its Airport Improvement Program (AIP). The AIP provides for the reimbursement by the FAA of a portion of the cost of capital improvement projects. The proposed grant would fund 75 percent (\$9,892,664) of the total project cost (\$13,190,219), and a required match, consisting of Airport revenues, would fund the remaining 25 percent (\$3,297,555) of the total program cost.

Airfield Low-Visibility Improvement (\$2,432,432)

This project, with a total cost of \$3,243,243 of which \$2,432,432 is to be funded by the FAA grant, will provide for the construction and installation of various lights, pavement markings and guidance signs throughout the airfield at San Francisco International Airport, in order to provide specific routes for aircraft that are taxiing during low-visibility conditions.

The purpose of this project is to provide safe and expeditious routing of aircraft from and to airfield runways when taxiing during heavy fog or rain.

Runway 28R/10L Overlay & Reconstruction (\$7,460,232)

This project, with a total cost of \$9,946,976 of which \$7,460,232 is to be funded by the FAA grant, provides for the reconstruction and overlay of approximately 11,900 feet of Runway 28R/10L. This runway, which receives heavy aircraft traffic, is the primary landing runway at the Airport.

The purpose of this project is to reestablish the required structural integrity of the runway pavement that has developed surface cracks due to sub-base failure. The sub-

BOARD OF SUPERVISORS
BUDGET ANALYST

base failure is attributable to a combination of repetitive aircraft loading and the settlement of runway pavement built on Bay mud, which is a type of deposit found in the San Francisco Bay.

Budget: A summary breakdown of the two project budget expenditures, as provided by the Airport, is as follows (see Comment No. 1 below):

Administrative Overhead	\$ 40,000
*Project design costs (Airport)	1,300,000
*Project inspection costs (Airport)	1,140,000
Construction contracts	<u>10,710,219</u>

Total	\$13,190,219
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*Attachment 1, as provided by the Airport, includes the cost details for project design (\$1,300,000) and project inspection (\$1,140,000).

Required Match: \$3,297,555

Indirect Costs: The Federal Grantor does not permit indirect costs to be included in this grant budget.

Comments: 1. Mr. Ernie Eavis of the Airport advises that \$2,480,000, of the total grant amount of \$9,892,664, will be expended on administrative overhead (\$40,000), project design (\$1,300,000) and project inspection (\$1,140,000). The remaining balance of \$7,412,664 would be used to pay for a portion of the total construction contract costs of \$10,710,219. Mr. Eavis advises that contractors have not yet been selected for the two projects. As such, the proposed resolution should be amended to place \$7,412,664 of the \$9,892,664 in grant funds on reserve, pending the selection of the contractors, the MBE/WBE status of the contractors and the contract cost details.

2. The Budget Analyst has recently issued our report presenting the results of a financial analysis of the San Francisco International Airport to determine the Airport's accumulated surpluses as of June 30, 1995 and the amount, if any, of such surpluses which may be available to the City's General Fund. This report was issued on July 19, 1996. In conducting this analysis, we found that, if the City discontinued accepting new Federal Airport grants for Airport purposes and allowed all existing grants to expire, the City could regain legal authority to determine how non-aeronautical revenues generated at the Airport will be used.

BOARD OF SUPERVISORS
BUDGET ANALYST

The Budget Analyst recommended that the Board of Supervisors consider taking this course of action in order to gain the future benefit of controlling the amount of non-aeronautical revenue that could be transferred to the General Fund. Because the federal grants include covenants which prohibit the use of any airport revenues for non-airport purposes for the term of the grant, usually a period of 20 years, the City of Los Angeles stopped accepting new federal grants for Los Angeles International Airport in 1994. Under current federal law, beginning in the year 2014, the City of Los Angeles should be able to determine how all non-aeronautical revenues generated at Los Angeles International Airport are used. The City of Los Angeles monitors the effect of this policy on a continuous basis and could reverse its decision at any time, if it appears advantageous to again accept Federal grant funds for Airport programs.

Likewise, the City of San Francisco should monitor the effect of the recommended policy to discontinue accepting new Federal grants for Airport purposes on a continuous basis, as is done by the City of Los Angeles. As such, San Francisco could reverse its decision at any time, if it appears advantageous to again accept Federal grant funds for Airport purposes.

3. The Airport has completed a Disability Access Checklist, which is on file with the Clerk of the Board.

4. Attachment 2 is the Grant Application Information Form, as prepared by the Airport, for the proposed grant project.

Recommendations: 1. Amend the proposed resolution to place the grant amount of \$7,412,664 on reserve for construction contract costs, pending the selection of the contractors, the MBE/WBE status of the contractors and the contract cost details, and approve the resolution to apply for the proposed grant funds as amended.

2. Based on the recent audit recommendation of the Budget Analyst to discontinue the acceptance of new Federal grant funds for Airport purposes, we consider approval of the acceptance and expenditure of this proposed Federal grant and future Federal grant funds to be a policy matter for the Board of Supervisors.

Project Design Costs

Class	Title	Hours	Rate	Total
5202	Junior Civil Engr.	2,050	\$28/hr.	57,400
5204	Asst. Civil Engr.	6,000	\$31/hr.	186,000
5206	Assoc. Civil Engr.	6,000	\$37/hr.	222,000
5208	Civil Engr.	4,000	\$43/hr.	172,000
5210	Senior Civil Engr.	3,000	\$49/hr.	147,000
5212	Principal Engineer	200	\$58/hr.	11,600
5234	Junior Elect. Engr.	500	\$28/hr.	14,000
5236	Asst. Elect. Engr.	1,000	\$31/hr.	31,000
5238	Assoc. Elect. Engr.	1,000	\$37/hr.	37,000
5240	Elect. Engr.	2,000	\$43/hr.	86,000
5242	Senior Elect. Engr.	500	\$49/hr.	24,500
5250	Junior Mechanical Engr.	1,000	\$25/hr.	25,000
5252	Asst. Mech. Engineer	1,000	\$31/hr.	31,000
5254	Assoc. Mechanical Engr.	1,000	\$37/hr.	37,000
5256	Mechanical Engr.	1,000	\$43/hr.	43,000
5258	Senior Mechanical Engr.	10	\$50/hr.	500
5362	Civil Engr. Asst. II	1,000	\$26/hr.	26,000
5364	Civil Engr. Assoc. I	1,000	\$28/hr.	28,000
5366	Engr. Assoc. II	2,000	\$33/hr.	66,000
5380	Student Engr. Trainee	1,000	\$19/hr.	19,000
5346	Mechanical Engr. Assoc. I	500	28/hr.	14,000
1446	Secretary	1,000	22/hr.	22,000
	Total			\$1,300,000

Project Inspection Costs

Class	Title Description	Time	Salary + Fringe	\$ Amount
9212	Airfield Safety Officer	3,100 hours	30/hour	\$ 93,000
5310	Surveyor Field Asst.	5,000 hours	27/hour	\$ 135,000
5312	Surveyor	5,000 hours	30/hour	\$ 150,000
5314	Survey Party Chief	5,000 hours	36/hour	\$ 180,000
6318	Inspectors	13,000 hours	37/hour	\$ 481,000
	Testing Services			\$ 101,000
	Total			\$1,140,000

LETTER OF INTENT

Grant Application Information Form

TO: The Board of Supervisors
Attention: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Airport

Contact Person: Ernie Eavis Telephone: (415) 737-7747

Project Title: Airport Improvement Program 96-01

Grant Source: Federal Aviation Administration

Proposed (New/Continuation) Grant Project Summary:

See Attached Narrative Description

Amount of Grant Funding Applied for: \$9,892,664

Maximum Funding Amount Available: \$9,892,664

Required Matching Funds: \$3,297,555

Number of Positions Created and Funded: 0

Amount to be Spent on Contractual Services: None contemplated

Will Contractual Services be put out to Bid? N/A

matching funds
provided from the
A.P. project
4/7/9

Term of Grant: _____ Yearly entitlement _____

Date Department Notified of Available Funds: _____

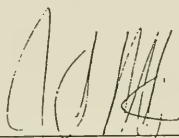
Application Due Date: _____ Sept. 30, 1996 _____

Grant Funding Guidelines and Options (from RFP, Grant Announcement of Appropriations Legislation):

Available grant funds for Airport Improvement Program (AIP) projects, in the form of a trust, are derived from Federal excise taxes on passenger ticket, freight forwarding, fuel, and tire sales as authorized by the Airport and Airway Improvement Act of 1982 (PL-248). San Francisco International Airport (SFIA) is usually allotted an annual share based upon actual passenger and freight totals for the year prior to the AIP application. The allotment is used to reimburse 75% of the actual design, inspection and construction cost of the selected airfield improvements.

Assessment of Need for Grant Funding:

The projects listed in this Grant Application are already included in the Airport's 5-Year Capital Improvement Program. If grant funding is not obtained, the monies that would have gone to SFIA will be put back into the trust fund and disbursed to other airports as Discretionary Grants. The projects listed in AIP 10 will still be constructed, however, without the Federal funding.

_____
Department Head Approval

Item 1c - File 38-96-13

Department: Police Department

Item: Resolution authorizing the Chief of Police to accept a gift of two Technology to Recover Abducted Kids (TRAK) Computer Systems and software, valued at approximately \$17,000, from Social Tech, Inc., through the sponsorship of Chevron and Air Touch Corporations.

Description: Section 10.116 of the Administrative Code requires approval of the Board of Supervisors for the acceptance of gifts to the City and County with a value greater than \$5,000. The Police Department advises that Social Tech, Inc., a non-profit corporation, has offered to donate two TRAK Computer Systems and software, valued at approximately \$17,000. These two computer systems would be used to enhance the Police Department's ability to transmit flyers electronically to (1) other law enforcement agencies, public agencies and the media to assist in locating missing children, and (2) other law enforcement agencies to assist in arresting wanted suspects.

Lieutenant Tom Bruton of the Police Department advises that Social Tech, Inc. would be responsible for paying for any maintenance costs for the TRAK Computer Systems for the first three years, after which time the Police Department would assume responsibility for any such costs. Such maintenance costs are estimated at approximately \$235 for the three-year period.

Comment: The Police Department advises that Social Tech, Inc., which is composed of representatives from the data processing field, business community and law enforcement, was founded in response to the Polly Klaas kidnapping in 1993. The goal of this non-profit corporation is to raise funds, from corporate and other private sources, to provide TRAK Computer Systems to law enforcement agencies throughout the nation to be used primarily to assist in the location of missing children.

Recommendation: Approve the proposed resolution.

Item 1d - File 38-96-14

- Department:** Recreation and Park Department (RPD)
- Item:** Resolution accepting a gift valued at \$7,045.33 from the San Francisco Softball Advisory Board for use by the Recreation and Park Department.
- Description:** The proposed resolution would accept a gift of a John Deere Diamond Pro Tractor, valued at \$7,045.33, for use by the Recreation and Park Department (RPD). This gift is being donated to the City by the San Francisco Softball Advisory Board, a non-profit organization.
- Mr. Mike Morlin, RPD Assistant Superintendent of Neighborhood Parks and Squares, advises that the John Deere Diamond Pro Tractor will be used for grading and smoothing the non-grass portion of the infield portion of the softball field primarily at the James P. Lang Field located at Gough and Turk Streets. The tractor will be stored at the James P. Lang Field but will also be used at the Raymond Kimball Playground, located at Geary and Steiner Street. Mr. Morlin advises that the expected life of a John Deere Diamond Pro Tractor is 10 years. Sufficient routine maintenance funds are included in the RPD's FY 1996-97 budget and are estimated to cost \$100 annually. The RPD currently owns one John Deere Diamond Pro Tractor that is used at 3-Com Park at Candlestick Point.
- Comment:** Mr. Tom Sandoval, Softball League Commissioner of the San Francisco Advisory Board, states that the body and title of the proposed resolution should be amended to refer to the San Francisco Softball Advisory Board, rather than the San Francisco Softball Advisory Committee.
- Recommendations:**
1. Amend the title and body of the proposed resolution to refer to the San Francisco Softball Advisory Board, rather than the San Francisco Softball Advisory Committee.
 2. Approve the proposed resolution as amended.

Item 1e - File 38-96-15

- Department:** San Francisco Police Department (SFPD)
- Item:** Resolution authorizing the Police Department to accept a one year gift of a 15 passenger 1996 van, valued at an estimated \$25,000, from the Variety Club of Northern California.
- Value of Gift:** Estimated at \$25,000, or approximately \$20,833.33 after one year
- Description:** Section 10.116 of the Administrative Code requires approval of the Board of Supervisors for the acceptance of gifts to the City and County with a value greater than \$5,000. The Variety Club of Northern California, a non-profit organization, in association with the Ford Motor Company, has offered a one year gift of a 15 passenger 1996 van, valued at an estimated \$25,000, to the Police Department.
- Officer Walter Scott of the San Francisco Police Department advises that the above noted one year gift is a 1996 Ford F350, Super-X Club Wagon. The vehicle weighs approximately 1.5 tons, and will be used to transport the youth of the Wilderness Adventure Youth Program of the San Francisco Police Department to various outdoor adventures including backpacking trips, river rafting, sailing, sea kayaking, etc. A police officer will be assigned to drive the vehicle to the designated location. The attachment describes the Wilderness Adventure Youth Program.
- Comments:**
1. Officer Scott advises that an agreement date of approximately one year has been made between the SFPD and the Ford Motor Company for the above noted gift. After one year, the vehicle is estimated at \$20,833.33, \$25,000 less depreciation of \$4,166.67 (using straight-line depreciation for 6 years). After one year period has expired, the SFPD has the option to purchase the vehicle from Ford Motor Company at the then market value or return the vehicle to Ford. Funds to purchase the vehicle are anticipated from private donations and from existing budgeted monies.
 2. Officer Scott further advises that the Ford Motor Company will absorb all maintenance and insurance costs until the City decides, after the one year gift expires, to purchase the vehicle from the Ford Motor Company. The SFPD currently owns four similar vans. The on-going costs of operating the van, including gasoline, repair and maintenance costs, would be absorbed by existing funds in the SFPD's budget.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approve the proposed resolution.

SAN FRANCISCO POLICE DEPARTMENT WILDERNESS PROGRAM

350 Amber Way, San Francisco, Ca. 94131
Phone and Fax: (415) 292-2109

SUMMARY OF ADVENTURES, 1981 THROUGH 1995

ADVENTURE	#HELD	#YOUTH	#OFFICERS
6-DAY SIERRA BACKPACKING	141	1963	287
3-DAY PT. REYES BACKPACKING	225	4605	429
1-DAY ADVENTURE ROPES COURSE	334	7667	714
1 to 3-DAY RIVER RAFTING	86	1491	188
3-DAY SNOW TRIPS	43	878	102
3-DAY CAMPING TRIPS	37	633	78
1 to 3-DAY SAILING TRIPS	26	251	41
1-DAY ROCKCLIMBING	30	602	60
1-DAY HIKING	37	948	110
1-DAY CAMPUS TOUR, FOOTBALL GAME, AND BARBECUE AT THE UNIVERSITY OF CALIFORNIA	34	486	64
TOTALS	993	19,524	2,073

Since 1981 the San Francisco Police Department's Wilderness Program has provided challenging and cooperative outdoor adventures such as ropes courses, backpacking, and river rafting for over 19,000 San Francisco boys and girls ages 9 through 18. These adventures are designed to develop understanding and break down barriers among police, youth, and the community; to build self-confidence, trust, and group support; and to be thrilling and fun.

This is a year-around program that works in partnership with the San Francisco Unified School District during the school year and with the San Francisco Gang Prevention Program during the summer. San Francisco police officers share in these adventures with the youth and other staff.

The San Francisco Police Department Wilderness Program provides the outdoor equipment and transportation and, in cooperation with other participating agencies, the planning, food, and staffing for the adventures. Teen age leaders from McAttee High School's Urban Pioneer Program are an important part of these adventures. One hundred percent of all donations go directly to providing these wilderness adventures for San Francisco's low-income youth.

Item 1f - File 38-96-16

- Department:** Police Department
- Item:** Resolution authorizing the Police Department to accept a gift of a 35 foot pole, support cables, and Pacific Gas and Electric Company (PG&E) labor, valued at \$1,419.14, from PG&E.
- Value of Gift:** Estimated at \$1,419.14
- Description:** The Police Department advises that PG&E has offered to donate a 35 foot pole, support cables, and PG&E labor, valued at \$1,419.14 for use of the Police Department's Wilderness Adventure Youth Program at the Glen Park Adventure Ropes Course. The gift would replace a tree used for the ropes course that has a short life expectancy.
- The Glen Park Adventure Ropes Course is located on a hillside at the corner of Elk and O'Shanughnessy Streets, at the main intersection of the Glen Park Playground. The 35 foot wooden pole is a PG&E power pole, approximately 12 inches in diameter. The narrow pole is topped with a disc slightly larger than the diameter of the pole, which facilitates a ropes course event where the participant climbs to the top of the pole and attempts to balance on the disc.
- According to Greg Disse of PG&E, the proposed gift, valued at \$1,419.14, includes labor costs (for a three-man overhead crew at four hours) associated with the installation of the pole. Officer Walter Scott of the San Francisco Police Department advises that the proposed gift would not result in any additional maintenance costs to the City.
- Comment:** 1. Section 10.116 of the Administrative Code requires approval of the Board of Supervisors for the acceptance of gifts to the City and County with a value greater than \$5,000. However, although the above noted gift has a value of less than \$5,000, and would normally not require approval by the Board of Supervisors, acceptance of this gift would require the City to enter into an agreement with PG&E stating that the City holds PG&E harmless of any liability arising out of the use of the 35 foot pole as defined in the attached "hold harmless" agreement. Therefore, according to Mr. Michael Olsen of the City Attorney's Office, acceptance of the proposed gift requires approval by the Board of Supervisors.
- Recommendation:** Approval of the proposed resolution is a policy matter for the Board of Supervisors.

SAN FRANCISCO POLICE DEPARTMENT

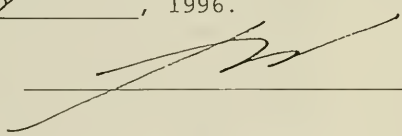
HOLD HARMLESS AND AGREEMENT TO DEFEND

In consideration for the donation from the Pacific Gas and Electric Company, of a 35 foot pole, support cables, and PG&E labor to install the pole at the San Francisco Police Department Wilderness Program's Glen Park Adventure Ropes Course, the City and County of San Francisco hereby agrees to keep and save the Pacific Gas and Electric Company, or any agent, director, officer, or employee of the Pacific Gas and Electric Company, forever harmless from all actions, causes of action, damages, claims and demands, in law or equity, of every kind and character including claims resulting from any injury from use of the 35 foot pole and support cables installed by the Pacific Gas and Electric Company.

The City and County of San Francisco further agrees that it will defend the Pacific Gas and Electric Company, or any agent, director, officer, or employee of the Pacific Gas and Electric Company, in any action against the Pacific Gas and Electric Company, or any agent, director, officer, or employee of the Pacific Gas and Electric Company, which results from the use of the 35 foot pole, and support cables installed by the Pacific Gas and Electric Company.

The City and County of San Francisco further agrees that it will pay to the Pacific Gas and Electric Company, or any agent, director, officer, or employee of the Pacific Gas and Electric Company, any loss or damage which may be suffered or sustained by the Pacific Gas and Electric Company, or any agent, director, officer, or employee of the Pacific Gas and Electric Company; and the City and County of San Francisco agrees to promptly pay any judgment which may be rendered against the Pacific Gas and Electric Company, or any agent, director, officer, or employee of the Pacific Gas and Electric Company, by reason of the use of the 35 foot pole, and support cables installed by the Pacific Gas and Electric Company.

The undersigned hereby executes this release and discharge this 19th day of JULY, 1996.



Item 1g - File 38-96-18

Department: Public Library

Item: Resolution authorizing the Public Library to accept a donation of computer system software and workstation licenses valued at \$186,956 which have been contributed by Microsoft Corporation through the Friends of the Library.

Description: Section 10.116 of the Administrative Code requires approval by the Board of Supervisors for the acceptance of gifts to the City with a value greater than \$5,000. The proposed resolution would accept a gift of six computer system software packages, including 660 workstation licenses, for a total gift valued at \$186,956, according to Mr. David Price of the Public Library. The workstation licenses, issued by the Microsoft Corporation, are required for each workstation where the subject software is to be accessed, in order for the City to be in compliance with Federal copyright laws.

Mr. Price advises that the subject computer system software will be installed in the computer workstations located at the Main Library, and at all of the Branches of the Public Library in order that the latest versions of the most commonly used software are available to both the public and to Library staff.

The computer system software and workstation licenses were donated by the Microsoft Corporation through the Friends of the Library, a non-profit corporation. Mr. Price advises that Microsoft Corporation donated this gift to the City as its contribution to the development of the new main Public Library.

- Comments:**
1. The Attachment, submitted by the Public Library, explains how the Public Library will utilize the computer system software.
 2. The amount of \$186,956 includes (a) \$6,994 for computer system software, including two copies of Office Professional software (\$1,198), two copies of Windows NT software (\$1,398), and two copies of BackOffice software (\$4,398), and (b) \$179,962 for 660 workstation licenses, for a total estimated value of \$186,956. Mr. Price advises that the value of \$186,956 was determined by the Microsoft Corporation and is based on the retail value of the computer system software and workstation licenses.

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

3. Mr. Price advises that there would be minimal costs associated with the donation of the computer system software packages. Mr. Price advises that the ongoing maintenance, costs associated with the acceptance of this gift would be absorbed within the Public Library's FY 1996-97 budget.

Recommendation: Approve the proposed resolution.

Attachment

S F P L

Memorandum

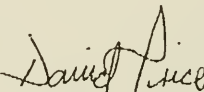
San Francisco Public Library

TO Harvey Rose, Budget Analyst
Board of Supervisors

FROM David Price, Special Assistant to the City Librarian
Public Library

DATE August 15, 1996

SUBJECT Item 1g - File 38-96-18 / Microsoft Gift Acceptance



This memo is in response to your question regarding how the Public Library will utilize the computer system software donated by the Microsoft Corporation.

The gift from the Microsoft Corporation is comprised of both software packages and licenses. This gift will allow patrons and staff at the Main Library and every Branch Library to have access to the latest computer software technology. In 1995 Windows 95 was introduced to the world and became the industry standard in operating systems software. Because of the opening of the new Main Library, and the Library's large investment in technology, Microsoft generously offered to upgrade the Library to Windows 95 and Windows NT in order to give the public and staff access to the newest information resources. These software licenses will provide access to the Internet. Additionally, the gift of Microsoft Office and BackOffice offers the Library the newest and most advanced use of business level software.

This gift enhances the Library's ability to offer world-class resources to the public. We are very fortunate to have received this gift and provide the public with the highest level of public service and information resources.

Item 1h - File 68-96-5

Department: Mayor's Office of Housing (MOH)

Item: Resolution authorizing the Mayor to retroactively apply for a grant for the continuation of the Lead-Based Paint Hazard Reduction Program from the U.S. Department of Housing and Urban Development, for a total amount not to exceed \$6,000,000 for a program authorized under the Department of Housing and Urban Development, and the Omnibus Consolidated Rescissions and Appropriation Act of 1996, Public Law Number 104-134; and including \$60,000 of indirect costs associated with the acceptance of these grant funds.

Grant Amount: Not to exceed \$6,000,000

Grant Period: July 1, 1997 through June 30, 1998 (two years)

Source of Funds: U.S. Department of Housing and Urban Development (HUD)

Project: Lead-based Paint Hazard Reduction Program

Description: In August, 1994, the Board of Supervisors authorized the Mayor's Office of Housing (MOH) to accept and expend grant funds to implement the Lead-Based Paint Hazard Reduction Program over a two-year period beginning July 1, 1995 through June 30, 1997 (File 68-94-10).

The proposed grant funds would be used to continue to fund the Lead-Based Paint Hazard Reduction Program, which includes (1) testing, inspecting and rehabilitating low and moderate income privately-owned housing constructed prior to 1978 and (2) the Primary Prevention Program, a comprehensive, community-based, lead poisoning prevention program, aimed at children. The primary goal of this Program is to educate parents in San Francisco as to the magnitude of the problem of lead poisoning on children, and what preventive measures can be taken to eliminate these lead hazards. Other Program objectives include (1) expanding the City's certification programs for lead-based paint inspection, abatement and training, (2) establishing comprehensive, City-wide regulations, (3) establishing methods and conducting pilot project research on innovative, cost-effective and safer methods for lead-based paint abatement and worker protection, and (4) developing information technology that will encourage the use of technology to improve and build communications links with similar projects.

No. of Persons

Served:

The MOH anticipates that the Program will continue to directly serve approximately 2,500 children, ages 6 and younger, as well as an additional 44,000 children who are currently served indirectly through the educational aspects of the Program.

Budget:

Ms. Naja Williams Boyd of the MOH advises that budget details will be provided when the MOH requests approval from the Board of Supervisors to accept and expend the proposed grant funds.

Required Match:

10 percent of total grant funds, or approximately \$600,000 (See Comment No. 4)

Indirect Costs:

\$60,000

Comments:

1. Attached is a Grant Application Information Form, as prepared by the MOH.

2. A Disability Access Checklist has been prepared by the MOH and is on file with the Clerk of the Board's Office.

3. The MOH has advised that the grant application for the proposed funds was due on July 30, 1996. Therefore, the proposed resolution provides for retroactive approval to apply for the proposed grant funds.

4. Ms. Williams Boyd advises that the MOH has identified approximately \$600,000 in matching funds, including approximately \$300,000 from the MOH's allocation of HUD's Community Development Block Grant, and \$300,000 from the Seismic Safety Loan Program Proposition A 1992 bond funds.

Recommendation: Approve the proposed resolution.

t

Attachment
1 of 2

File Number _____

Grant Application Information Form

A document required to accompany a proposed resolution
Authorizing a Department to Apply for a Grant

To: The Board of Supervisors
Attn: Clerk of the Board

The following describes the grant referred to in the accompanying resolution:

Department: Mayor's Office of Housing

Contact Person: Naja Williams Boyd Telephone: 252-3105

Project Title: Lead Based Paint Hazard Reduction Program

Grant Source: U.S. Department of Housing and Urban Development

Proposed (New / Continuation) Grant Project Summary:

This is a renewal application for the existing Lead Hazard Reduction/Primary Prevention Program. The continuation of funding will build upon the growing community based infrastructure which provides lead education and case management and hazard reduction and interim controls in privately owned low income housing. The funding will also assist in providing training and economic development opportunities for low-income youth, mothers, and primary care givers.

Amount of Grant Funding Applied for: \$6,000,000

Maximum Funding Amount Available: \$10,000,000

Required Matching Funds: yes

Number of Positions Created and Funded: four existing positions

Amount to be Spent on Contractual Services: \$5,000,000

Will Contractual Services be put out to Bid? yes

Grant Application Information Form
Page 2

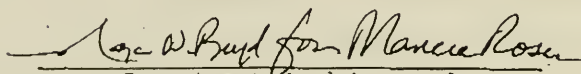
Attachment
2 of 2

Term of Grant: 2 years

Date Department Notified of Available funds: May 30, 1996

Application Due Date: July 30, 1996

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):



Department Head Approval

Item 1i - File 89-96-6

Department: Department of Human Resources
Airport

Item: Resolution authorizing the enrollment of Classification 9258 Airport Assistant Deputy Director of Business and Finance into the State Disability Insurance Program.

Description: The proposed resolution would authorize enrollment of Classification 9258 Airport Assistant Deputy Director, Business and Finance in the State Disability Insurance Program (SDI). The cost of the SDI coverage would be paid by the employees through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is .8 percent of the first \$31,767 of gross salary for each employee, with a maximum of \$254.14 annually. While SDI coverage is mandatory for all employees with bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification request coverage.

The following classification in the Airport, which is not represented by a bargaining unit, would be authorized to enroll in the SDI program under the proposed resolution:

<u>Position</u>	<u>Classification</u>	<u>Number of Employees</u>
9258	Airport Assistant Deputy Director, Business and Finance	2

The Employee Relations Division of the Human Resources Department reports that it has received a petition requesting SDI coverage signed by the two employees who occupy the position of 9258 Airport Assistant Deputy Director of Business and Finance classification.

Recommendation: Approve the proposed resolution.

Item 1j - File 132-96-1

Department: Arts Commission

Item: Resolution authorizing the Arts Commission to retroactively apply for, accept and expend \$81,600 of National Endowment for the Arts Planning and Stabilization grant funds to support a project entitled "Asian American Arts Community Development Initiative" in defining and developing the appropriate structure for facilitating more efficient resource acquisition and management, more effective audience development and productive collaborations, and better support for Arts groups and Artists rooted in, or growing out of San Francisco's Asian American population, waiving two percent indirect costs.

Grant Amount: \$86,100

Grant Period: May 1, 1997 to October 1, 1998 (one year and five months)

Source of Funds: National Endowment for the Arts (NEA), Planning & Stabilization grant funds.

Project: Asian American Arts Community Development Initiative

Description: According to Ms. Liz Lerma of the Arts Commission, the proposed grant funds would be used to implement an Arts Commission project entitled "Asian American Arts Community Development Initiative." The purpose of this project would be to develop an Arts infrastructure within the Asian American Arts community which would enable the Asian American Arts community to achieve the following goals:

- Provide a unified voice in educating about the needs of the Asian American Arts community;
- Ensure that resources and information about Asian American Artists and Arts organizations are available to the public in a consistent, consolidated and effective manner;
- Enhance the appreciation and support for the Asian American Arts community in the broader community; and
- Share resources and information, and establish ongoing lines of communication within the Asian American Arts community.

Ms. Lerma advises that the Arts Commission submitted an application for the proposed grant funds on April 3, 1996. Therefore, the proposed resolution authorizes the Arts Commission to apply for the proposed grant funds retroactively. However, Ms. Lerma advises, the grant funds have not been awarded. Therefore, the title and body of the proposed resolution should be amended to delete reference to accepting and expending the proposed grant funds retroactively.

Budget:

Ms. Lerma advises that budget details will be provided when the Arts Commission requests approval from the Board of Supervisors to accept and expend the proposed grant funds.

Required Match:

\$86,100 funded by (1) the Arts Commission's Cultural Equity Grants Program from Hotel Taxes (\$41,550), and (2) private donations to be raised by the Asian Pacific Arts Coalition, a consortium of Asian Pacific arts organizations (\$44,550). Mr. Lawrence Thoo, Director of the Cultural Equity Grants Program, advises that an amount of \$41,550 has been allocated in the Cultural Equity Grants Program's FY 1996-97 budget for the Asian American Arts Community Development Initiative.

Indirect Costs:

None

Comments:

1. Ms. Lerma advises that NEA regulations permit grant proposals to include an amount for indirect costs. Ms. Lerma advises that such amount is negotiated between the applicant and the NEA's Office of the Inspector General. However, Ms. Lerma advises that the Arts Commission did not attempt to negotiate an amount for indirect costs and therefore did not include indirect costs in the grant proposal because (1) the Arts Commission would like all of the funds to be used for direct program costs because the Department does not anticipate receiving the entire requested amount of \$86,100, and (2) the Arts Commission would be more competitive in its grant application without the inclusion of indirect costs in the proposal.

2. The Attachment is a grant summary, as prepared by the Arts Commission for the proposed grant funds.

3. The Arts Commission has prepared a Disability Access Checklist for the proposed grant program, which is on file with the Clerk of the Board's Office.

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

- Recommendations:**
1. Amend the proposed resolution to delete reference to retroactively accepting and expending the proposed grant funds.
 2. Approve the proposed resolution as amended, except that we consider the waiver of indirect costs to be a policy decision for the Board of Supervisors.

Attachment
Page 1 of 2

File Number _____

Grant Application Information FormA document required to accompany a proposed resolution
Authorizing a Department to Apply for a GrantTo: The Board of Supervisors
Attn: Clerk of the BoardThe following describes the grant referred to in the accompanying
resolution:Department: San Francisco Art CommissionContact Person: Liz Lerma Telephone: 252-2596Project Title: Asian American Arts Community Development InitiativeGrant Source: National Endowment for the Arts- Planning & Stabilization

Proposed (New / Continuation) Grant Project Summary:

The Initiative will engage the San Francisco and Bay Area communities in defining and developing the appropriate structure for facilitating more efficient resource acquisition and management, more effective audience development and productive collaborations, and better support for arts groups and artists rooted in, or growing out of San Francisco's largest and fastest-growing ethnic population.

Amount of Grant Funding Applied for: \$86,100Maximum Funding Amount Available: \$500,000Required Matching Funds: \$86,100Number of Positions Created and Funded: 6Amount to be Spent on Contractual Services: \$123,146Will Contractual Services be put out to Bid? yes

To	Michelle Rungels	From	Liz Lerma
Co Dept		Co	Art Commission
Phone #		Phone #	252-2596
Fax #		Fax #	252-2595

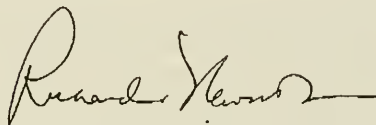
Grant Application Information Form

Page 2

Term of Grant: May 1997 - Nov. 1998Date Department Notified of Available funds: May 1997Application Due Date: April 3, 1996

Grant Funding Guidelines and Options (from RFP, grant announcement or appropriations legislation):

Planning & Stabilization grants offer assistance to applicants to assess carefully their organizational strengths, weaknesses and financial health. Projects can also focus on strategies for building partnerships and resources among a group of organizations that are linked by geography, programming, mission, etc.



Department Head Approval

Item 1k - File 146-96-12

Department: Department of Public Health (DPH)

Item: Resolution authorizing the Department of Public Health to apply for, accept and expend retroactively a grant of \$5,000, which includes indirect costs in the amount of \$699, from the California Department of Fish and Game.

Grant Amount: \$5,000

Grant Period: January 1, 1996 to December 31, 1996

Source of Funds: California Department of Fish and Game, Office of Oil Spill Prevention and Response

Project: Participation in planning for the San Francisco Bay/San Joaquin Delta Area Contingency Plan Committee

Description: In 1992, the DPH applied for and accepted a grant in the amount of \$49,550 from the California Department of Fish and Game to fund DPH's development of the San Francisco Oil Spill Prevention and Response Plan for purposes of having a local plan to prevent and respond to oil spills pursuant to the requirements of the Federal Oil Pollution Act of 1990. The grant also funded San Francisco's participation in the development of the Regional San Francisco Bay/San Joaquin Delta Area Contingency Plan for oil spills. This Regional Plan was also developed for the purpose of meeting requirements of the Federal Oil Pollution Act of 1990 for regional planning in connection with the prevention of and response to oil spills. DPH's role in the development of the Regional Plan involved providing information on San Francisco's environmentally-sensitive locations, economically-significant sites, resources available to mitigate oil spills, potential staging locations and contacts and procedures in the event of an oil spill.

The DPH advises that the Regional San Francisco Bay/San Joaquin Delta Area Contingency Plan, which was completed in June of 1993 and the San Francisco Oil Spill Prevention and Response Plan, which was completed in August of 1993, now both need to be updated pursuant to Federal Oil Pollution Act guidelines. According to Mr. Richard Lee of the DPH, under Federal Oil Pollution Act guidelines, such plans should be updated annually, in order to ensure the overall effectiveness of the plans.

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

The proposed grant funds would allow DPH to (1) participate in updating the Regional San Francisco Bay/San Joaquin Delta Area Contingency Plan and (2) update the San Francisco Oil Spill Prevention and Response Plan.

Budget:

<u>Personnel Services</u>	<u>No. of Hours</u>	<u>Hourly Rate</u>	<u>Total</u>
Sr. Industrial Hygienist	80	\$35	\$2,800
Regulatory Specialist	15	25	<u>375</u>
Subtotal Salaries			\$3,175
Fringe Benefits			<u>953</u>
Subtotal Personnel	95		\$4,128
<u>Operating Expenses</u>			
Travel			\$100
Reproduction			<u>73</u>
Subtotal Operating Expenses			173
<u>Indirect Costs (22% of Salaries)</u>			<u>699</u>
Total			\$5,000

Required Match: None

Indirect Costs: \$699

Comments:

1. The DPH advises that the Department has already submitted the grant application for the proposed grant and that expenditures have been incurred against these grant funds. As such, the proposed legislation provides authorization for the DPH to apply for, accept and expend the proposed grant funds retroactively.
2. A copy of the Summary of Grant Request, prepared by the DPH for the proposed grant, is attached to this report.
3. A Disability Access Checklist for this project is on file with the Clerk of the Board's Office.

Recommendation: Approve the proposed resolution.

BOARD OF SUPERVISORS
BUDGET ANALYST

Item No. _____ Health Commission - Summary of Grant Request

Rev. 6/8/94

Grantor: CA. Dept. of Fish & Game
 Contact Person: Christina Finlayson
 Address: 1416 Ninth St. Sacramento, CA

Division: Bureau of Env. Health Management
 Section: _____
 Contact Person: Richard Lee
 Telephone: 554-2798
 Application Deadline: 7/15/96
 Notification Expected: 8/1/96

Amount Requested: \$ 5,000
 Term: From 1/1/96 To 12/31/96

I. Item Description: Request to (apply for) (accept and expend) a (new) (continuation) (allocation) (Circle or (augmentation to a) grant in the amount of \$ 5,000 from the period of Underline) 1/1/96 to 12/31/96 to provide participation in oil spill contingency planning services.

II. Summary: (Purpose; Funding Year; Target Groups; Services; Providers)

The purpose of this grant is to provide funding for representatives of the City and County of San Francisco to participate in planning for the San Francisco Bay/ San Joaquin Delta Area Contingency Plan Committee. Also funding is provided for updating the local oil spill contingency plan for San Francisco. The period for this grant is for calendar year of 1996.

III. Outcomes/Objectives:

Outcomes include regular representation at Area Contingency Plan Committee. Input to this committee will insure that San Francisco interest will be provided to the committee. San Francisco will be notified of changes to the Area Contingency Plan and regional exercised. the local plan will be updated.

IV. Effects of Reduction or Termination of These Funds:

Termination of this grant will result in non-funding of representatives who participate in Area Contingency Planning and updating of the local contingency plan.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Yr./Orig.	Col. C Proposed	Col. D Change	Req. Match	Approved By
Grant Amount	\$5,000	\$5,000	\$5,000		0	
Personnel	\$4,810	\$4,128	\$4,128			
Equipment						
*Contract Svc.						
Mat. & Supp.	190	173	173			
Facilities/Space						
Other						
Indirect Costs		699	699			

VI. Data Processing

(costs included above)

VII. Personnel

F/T Civil Service						
P/T Civil Service						
Contractual						

Source(s) of non-grant funding for salaries of Civil Service employees working part-time on this grant:
 n/a

Will grant funded employees be retained after this grant terminates? If so, How?

n/a

*VIII. Contractual Services: Open Bid _____ Sole Source _____ (if sole source, attach Request for Exemption Form)

n/a

Item 11 - File 143-96-3

Department: Police Department

Item: Resolution authorizing the Chief of Police of the City and County of San Francisco to retroactively apply for, accept and expend new grant funds in the amount of \$450,000 from the California Office of Criminal Justice Planning, which includes indirect costs of \$20,000.

Grant Amount: \$450,000

Grant Period: July 1, 1996 to December 31, 1997 (one and one-half years)

Source of Funds: California Office of Criminal Justice Planning (OCJP)

Project: Bayview Hunters Point - Operation Revitalization

Description: The proposed grant funds would be used by the Police Department to implement the Bayview Hunters Point - Operation Revitalization Project involving a comprehensive, multi-agency approach to combating violent crime, drug use and gang activity in Bayview Hunters Point. The Police Department advises that the goal of this project is to employ strategies to reduce overall crime in targeted neighborhoods, and to correspondingly introduce a wide range of crime and drug prevention programs and social service resources to these targeted neighborhoods to reduce the recurrence of crime.

The Police Department will be responsible for administering the project as well as providing direct law enforcement services in connection with the project. Other City departments which would provide direct project services include the District Attorney's Office and the Adult Probation Department. The District Attorney's project staff will include an Assistant District Attorney and a District Attorney Investigator. The Assistant District Attorney's duties will include coordinating prosecution information with the Police Department, Adult Probation and the Trial Courts with respect to targeted criminals. The District Attorney Investigator will be responsible for assisting in the coordination and investigation of targeted gang members. The Adult Probation Department's project staff will consist of one Probation Officer whose duties will include supervising probationers living in Bayview Hunters Point, providing information on probation violators and coordinating with the District Attorney's Office and the Trial Courts to ensure revocation of gang members' probationary status when such

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BUDGET ANALYST

action is warranted. Additionally, the San Francisco Unified School District will provide two half-time Peer Resource Coordinators (1 FTE) that will train students in the target project areas as Peer Helpers who will then work with other students as tutors, conflict mediators, peer counselors and mentors.

The Police Department is also proposing to contract with two non-profit organizations, San Francisco Safety Awareness for Everyone (SAFE) and the Southeast Family Support Network, as well as with the State of California Employment Development Department (EDD) to provide various project services.

The Police Department reports that it has had an on-going contract with SAFE since 1976, to provide crime prevention services through neighborhood awareness programs. The Police Department is proposing to modify its existing contract with SAFE for SAFE to provide expanded crime prevention services to Bayview Hunters Point at a cost of \$5,000, bringing the total SAFE contract amount for FY 1996-97 to \$547,250

The Police Department advises that the Southeast Family Support Network, which is a collaborative of 15 community based organizations, has been providing a variety of social services to the Bayview Hunters Point area since 1971. The Police Department is proposing to contract with Southeast Family Support Network, in the amount of \$110,000, for the provision of assessment and intake services, referral and case management services, child care services, educational services, family support services, delinquency prevention programs, and general family network support services.

The Police Department is proposing to contract with EDD, in the amount of \$9,500, to pay for a Job Services Representative to provide 624 hours, at an average hourly rate of approximately \$15, of job related services to the residents of Bayview Hunters Point.

Memo to Government Efficiency and Labor Committee
 August 20, 1996 Government Efficiency and Labor Committee Meeting

Budget:	<u>Personnel</u>	<u>Amount</u>
	<u>Police Department</u>	
	Police Officers - Narcotics Investigation (1,000 hrs. @ \$38/per hr.)	\$38,000
	Police Officers - Crime Response Unit to to Suppress Homicides (CRUSH) (1,000 hrs. @ \$38/per hr.)	38,000
	Police Officers - Community Services (973 hrs. @ \$38/per hr.)	37,000
	Police Officers - Youth Services (553 hrs. @ \$38/per hr.)	<u>21,000</u>
	Subtotal	\$134,000
	<u>District Attorney's Office</u>	
	Assistant District Attorney (312 hrs. @ \$50 per/hr.)	\$15,600
	District Attorney Investigator (873 hrs. @ \$39.40 per/hr.)	<u>34,400</u>
	Subtotal	50,000
	<u>Adult Probation Department</u>	
	Probation Officer (1,228 hrs. @ \$40.72)	50,000
	<u>San Francisco Unified School District</u>	
	Peer Resource Coordinators (1 FTE)	<u>45,000</u>
	Subtotal - Personnel	\$279,000
	<u>Operating Expenses</u>	
	Printing/Supplies	\$5,000
	Audit	1,500
	Police Department's Operation Dream Program: Field trips to the Public Library, recreational activities (e. g., baseball games, fishing trips, camping trips), beautification and area clean up projects, community work shops (see Attachment I provided by Police Department for basis of \$20,000 amount)	<u>20,000</u>
	Subtotal - Operating Expenses	26,500

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BUDGET ANALYST

Amount

Contractual Services

SAFE \$5,000

Southeast Family Support Network:

Assessment and Intake Services 13,000

Referral and Case Management

Services 19,500

Child Care Services 10,400

Educational Services 16,900

Family Support Services 16,900

Delinquency Prevention Programs 16,900

General Family Network Support 16,400

Subtotal \$110,000

State EDD 9,500

Subtotal - Contractual Services 124,500

Indirect Costs 20,000

Total Project Budget \$450,000

Required Match: None

Indirect Costs: \$20,000

Comments:

1. The Police Department's Operation Dream Program, included in the budget above in the amount of \$20,000 as shown in Attachment 1, was established in May of 1994, and is operated by Police Officers volunteering their own time. This program provides various recreational and social services to children, primarily between the ages of five through eleven, living in San Francisco's public housing .

2. As noted above, the Police Officers assigned to the proposed project would utilize overtime hours. Attachment II is a memo provided by Chief of Police Fred Lau, which explains why Police Officer overtime is needed for this project given that the District Attorney's Office and the Adult Probation Department do not need to operate this project on an overtime basis.

3. Attachment III is the Summary of Grant Request, as prepared by the Police Department, for the proposed grant project.

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Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

Recommendation: Approve the proposed resolution.

Attachment I

Sheet1

**BAYVIEW HUNTER'S POINT - OPERATION REVITALIZATION GRANT
OPERATION DREAM BUDGET****TRANSPORTATION**

Rental - Chartered Bus/Vans
Insurance
Fuel

total 5,000

FIELD TRIPS

Amusement Park Entrance Fees
Baseball Game Tickets

total 5,000

SPECIAL EVENTS

Fishing Equipment/Boat Rental
Ropes Course Equipment Rental

total 2,000

FOOD

Field Trips/Fast Food Meals
Barbeque

total 3,000

LODGING

High Valley Ranch Cabin Rental

total 2,000

MISCELLANEOUS PRINTING/SUPPLIES

Reading Program
Self Esteem Program
Conflict Resolution Workshops
Cultural Diversity Program
Graffiti Removal/Clean-up Projects

total 3,000

TOTAL

20,000

Attachment II

POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO

THOMAS J. CAHILL HALL OF JUSTICE
850 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103

FRED H. LAU
CHIEF OF POLICE

August 14, 1996

Harvey Rose
Budget Analyst
San Francisco Board of Supervisors
1390 Market Street, Room 1025
San Francisco, CA 94102

Subj: Bayview Hunter's Point - Operation Revitalization Grant

Dear Mr. Rose:

My Department has applied for grant funding from the State of California's Office of Criminal Justice Planning to implement a revitalization program in the Bayview Hunter's Point area. This project includes the commitment of several City and State agencies, and community based service providers. As part of my strategy to suppress and prevent crime within the target area, I have directed the Narcotic and CRUSH units to intensify their enforcement and investigations. The Juvenile Bureau will assign School Resource Officers to the schools in the area, and the officers of the Potrero police district will provide an increased community policing presence in the neighborhoods of the target area.

The units involved in this project are responsible to provide policing services in other areas of the City. Since their normal enforcement and prevention activities will continue, it is imperative that the Department does not supplant, but supplement the current on-going activities in the Bayview Hunter's Point target area. In order to give those neighborhoods the increased suppression and prevention activities required by the grant guidelines, overtime must be used for officers working on this project.

Please feel free to contact me or Sergeant John Bisordi at 553 1120 if there is any further information you need.

Sincerely,

A handwritten signature in black ink, appearing to read "Fred H. Lau", written over a horizontal line.

FRED H. LAU
Chief of Police

cc: Sandy Brown-Richardson
Budget Analyst Office

Grantor Office of Criminal Justice Planning (OCJP)
 Contact Person Carol Gerber
 Address 1130 K Street, Suite 300
Sacramento, CA 95814
 Amount Requested \$ 450,000.00
 Term: From July 1, 1996 To Dec 31, 1997
 Health commission _____

Division Anti-Drug Abuse Branch (ADA)
 Section ADA
 Contact Person _____
 Telephone 1-(916) 324 9100
 Application Deadline May 1, 1996
 Notification Expected June, 1996
 Board of Supervisors: Finance Committee _____
 Full Board _____

(retroactively)

I. Item Description: Request to (apply for)(accept and expend) a (new)(continuation)(allocation)(augmentation) to a grant in the amount of \$ 450,000 from the period of July 1, 1996 to Dec 31, 1997 to provide funding for a revitalization program in the Bayview Hunters Point services.

II. Summary: (Context/history; need addressed; number & groups served; services and provide)

Operation Revitalization is a comprehensive, multi-agency approach to combating violent crime, drug use, and gang activity in high-crime neighborhoods. The goal is to weed out crime from targeted neighborhoods and then seed the target site with a wide range of crime and drug prevention programs and human service agency resources to prevent crime from recurring. This program must involve a broad array of community organizations and social service providers as well as the criminal justice system. All components must work together in partnership with the people of the target area to remove violent criminals and eliminate drug activity from the area, prevent criminal activity from returning to the target area, and rebuild institutions, activities and family life within the community.

III. Outcomes/Objectives:

The anticipated impact of the proposed program will include the arrest of members and affiliates of the targeted gangs during the intensive suppression stage. The Seed and Seed program anticipates an overall reduction in reported crime of 10% by the end of the grant period. Conversely, we anticipate a positive effect on provision of services to students and their families; improved coordination and communication between the participating agencies; and an increase in business and residents' positive perception of their quality of life.

V. Effects of Reduction or Termination of These Funds:

The lack of financial resources prohibits and organized and focused suppression, prevention/intervention, schools and revitalization/reclamation strategies. Current resources within each department are stretched to their limit and staff time is currently focused on continuing existing service delivery systems and levels. Without additional resources the agencies cannot develop a more coordinated delivery of newly developed strategies in the Bayview hunters Point neighborhood.

V. Financial Information:

Col.A	Col.B	Col.C	Col.D	Req Match	Approved by
	Two Years Ago	Past Year/Org.	Proposed	Change	
Grant Amount	<u>00</u>	<u>00</u>	<u>\$ 450,000</u>	<u>00</u>	<u>00</u>
Personnel	<u>00</u>	<u>00</u>	<u>\$ 279,000</u>	<u>00</u>	<u>00</u>
Equipment	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>	<u>00</u>
Contract Svc.			<u>\$ 124,500</u>		<u>00</u>
Mat. & Supp.					<u>00</u>
Facilities/Space					
Other	<u>00</u>	<u>00</u>	<u>26,500</u>	<u>00</u>	<u>00</u>
Indirect Costs			<u>20,000</u>		

VI. Data Processing

(costs included above) _____

VII. Personnel

F/T CSC	<u>1</u>		
P/T CSC	<u>4</u>		
Contractual			

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, How?

Yes, Department's annual budget

Item 2 - File 25-96-11

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of July 23, 1996.

Department: Department of Public Health (DPH)

Item: Resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the Department of Public Health by a private contractor for a lower cost than similar work services performed by City and County employees.

Services to be Performed: Procurement and distribution of supplies to the San Francisco General Hospital (SFGH), Laguna Honda Hospital, and other DPH programs.

Description: Charter Section 10.104 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

Currently, the DPH purchases supplies from several vendors. DPH staff stores and distributes the supplies to the various health facilities. The DPH is proposing to consolidate the various medical supplies vendors currently providing such supplies to the DPH into one single "prime vendor," which would also provide materials management services that are currently provided by DPH materials management personnel. Attachment I describes specifically the responsibilities of the prime vendor.

The Controller has determined that contracting for procurement and distribution of supplies for the DPH for Fiscal Year 1996-97 will result in estimated savings as follows:

Memo to Government Efficiency and Labor Committee
August 20, 1996 Meeting of Government Efficiency and Labor Committee

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Personnel	\$595,211	\$704,225
Fringe Benefits	172,228	191,022
Materials and Supplies	7,983,530	7,983,530
Total	\$8,750,969	\$8,878,777
<u>Estimated Contract Service Cost</u>	<u>8,544,290*</u>	<u>8,544,290*</u>
<u>Estimated Savings</u>	\$206,679	\$334,487

*Includes a base contract amount of \$6,937,100 and prime vendor distribution fees of \$105,617, as well as \$1,501,573 in inventory which would be competitively bid outside of the prime vendor contract. See comments 2 through 6, below.

Comments:

1. This would be the first time that the DPH has contracted for such prime vendor services under Proposition J.
2. The estimated contract service cost is based on a bid solicited by the DPH. Ms. Sarah Ecker of the DPH reports that the Department obtained competitive bids from four pre-qualified firms. Ms. Ecker advises that the four firms were pre qualified based on (a) specific service requirements, (b) requirements established by the City's Human Rights Commission (HRC), and (c) software interface requirements.
3. On an annual basis, the DPH purchases approximately \$7,983,530 in inventory. However, the bids submitted by the four firms for the prime vendor contract were based on providing \$6,481,957 of the DPH's annual supply inventory, or \$1,501,573 less than the current total annual purchases made by DPH of \$7,983,530. Mr. Dwight Starr of the DPH advises that the DPH accepted the bids based on a portion of the total annual inventory amount because the bidders were unable to obtain three year price guarantees from some medical supply distributors for some items. Therefore, the potential prime vendor contractors did not believe they could offer guaranteed prices for approximately \$1,501,573 of the DPH annual inventory at this time. As such, the DPH only required the bidders to submit bids based on providing \$6,481,957 of annual purchases. Mr. Starr advises that the DPH will solicit future bids to purchase the \$1,501,573 in annual inventory (See Comment No. 4).
4. The DPH, through the Purchasing Department's bid process, selected the firm of Allegiance Healthcare

BOARD OF SUPERVISORS
BUDGET ANALYST

Corporation (formerly named the Baxter Health Care Corporation), as the lowest responsible bidder, in an amount of \$6,937,100 annually. This amount of \$6,937,100 includes the \$6,481,957 in annual supply purchases as well as \$455,143 in materials management service fees. As noted above, the DPH will solicit future bids to purchase the remaining \$1,501,573 in annual inventory which was not included in the Allegiance Healthcare Corporation's bid of \$6,937,100. Mr. Starr advises that this \$1,501,573 in additional annual inventory may be purchased from suppliers other than the prime vendor. Accordingly, Allegiance Healthcare Corporation will then be paid a five percent (dock to dock) to seven percent (dock to point-of-use) "distribution fee" to receive, warehouse, and distribute this \$1,501,573 in additional inventory to DPH facilities, or approximately \$105,617. Therefore, the total cost to the City for Proposition J City to contract cost comparison purposes is \$8,544,290, including \$6,937,100 for the prime vendor contract, \$1,501,573 to purchase supplies which may be outside of the prime vendor contract amount, and \$105,617 for the prime vendor's distribution fees on the \$1,501,573 if such supplies are purchased outside of the prime vendor contract.

5. Mr. Dwight Starr of DPH states that as part of bid specifications, the Department has required that the prime vendor purchase the existing SFGH supply inventory for the same acquisition cost that was paid by the SFGH. Mr. Starr further states that although a portion of the existing inventory is technologically outdated and of no use to DPH, the prime vendor will be able to resell the inventory to other health care providers. According to Mr. Madden of the Controller's Office, DPH had estimated that the revenues from the value of this inventory, of approximately \$1.3 million, was anticipated to have been received by the City as a one-time revenue source in Fiscal Year 1995-96, based on the expectation that the prime vendor contract was to have been awarded in Fiscal Year 1995-96. Mr. Madden further advised that because the prime vendor contract was not awarded by the end of Fiscal Year 1995-96, the Controller required the DPH to reduce expenditures in order to make up for the \$1.3 million shortfall. Mr. Madden states that if the prime vendor contract, together with the Controller's certification, is approved by the Board of Supervisors at this time, then the \$1.3 million would be received by the City in Fiscal Year 1996-97 and would be allocated to the City's General Fund Reserve as additional unanticipated revenues for Fiscal Year 1996-97.

6. Allegiance Healthcare Corporation is not an MBE/WBE firm. However, the Human Rights Commission (HRC) advises that Allegiance Healthcare Corporation has exceeded the HRC's requirements of 35 percent MBE/WBE participation using subcontractors. According to the HRC, \$3,096,600, or 47.8 percent of the \$6,481,957 in medical supplies purchases will be purchased from Allegiance Healthcare Corporation's MBE/WBE subcontractors (which is 44.6 percent of the overall contract amount of \$6,937,100, including \$455,143 in materials management services fees). Attachment II, provided by the HRC, is a list of Allegiance Healthcare Corporation's subcontractors, and the MBE/WBE status of these contractors.

7. Approval of the proposed resolution would result in the deletion of 16.5 FTEs, or 18 positions in the DPH, including Purchasers, Storekeepers, Inventory Clerks, Clerk Typists, and Central Supply Processors. Mr. Starr states that of the 18 positions, 12 are currently filled positions, and six are vacant positions. Mr. Starr advises that all 18 of the positions have been deleted from the FY 1996-97 budget. Mr. Starr further advises that 11 of the 18 employees occupying these positions are represented by the Service Employees International Union, and will be offered the opportunity to enter into a retraining program administered by the SEIU. Ms. Ecker advises that the SEIU received a \$500,000 grant from the Federal Department of Labor for retraining purposes. Ms. Ecker advises, that although the DPH cannot guarantee employment for the retrained employees, the 11 employees will be eligible for placement in positions within the DPH for which they are qualified.

In addition, one employee who is currently work-ordered from the Purchasing Department to the SFGH will return to the Purchasing Department (See Comment No. 8).

8. Mr. Ara Minasian of Purchasing advises that the SFGH has proposed to discontinue paying for work-orders for two 1952 Purchasers (one filled, one vacant), that are currently work-ordered to the SFGH. Mr. Minasian advises that the one filled 1952 Purchaser position, which is represented by Local 21, will not be laid off, and instead will be reassigned by the Purchaser to fill a vacant work-order position within Purchasing. Mr. Minasian advises that this position has been included in the Purchaser's FY 1996-97 budget.

9. Mr. Dale Butler of the SEIU advises that the SEIU supports the Prime Vendor consolidation plan, under the condition that all SEIU employees are (1) provided the

opportunity for retraining in the SEIU's retraining program, and (2) placed into alternative jobs at comparable pay within the DPH, upon the successful completion of the training program. As previously noted, Ms. Ecker stated that jobs for 11 of the employees cannot be guaranteed.

10. Ms. Linda Jofuku of Local 21 advises that Local 21 has several concerns regarding the proposed Prime Vendor Consolidation plan, as stated in Attachment III.

11. Mr. Starr advises that Allegiance Healthcare Corporation provides health care benefits for its employees. As of the writing of this report, the DPH was unable to respond to the question of whether Allegiance Healthcare provides the same company benefits to domestic partners of its employees who are registered with the County Clerk/Recorder's Office.

12. Mr. Starr advises that the term of the proposed contract with Allegiance Healthcare Corporation is for a three year period, with two one-year extensions. Mr. Starr advises that the contract will commence subsequent to approval of the proposed resolution by the Board of Supervisors .

13. Attachment IV, provided by the Department, is the Controller's Supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor.

14. The proposed resolution is only for the purpose of approving the Controller's certification that services can be provided more economically by a private contractor. Refer to Item 18 - File 172-96-27 of this report for the resolution to specifically approve a contract with Allegiance Healthcare Corporation, as is required by City Charter Section 9.118 for all contracts of \$10 million or over.

Recommendation: Approval of the proposed resolution for Proposition J Certification is a policy decision for the Board of Supervisors.

City and County of San Francisco



Department of
Public Health

San Francisco General Hospital
Medical Center

To: Michelle Ruggels
Budget Analyst

From: H. Dwight Starr, Director *[Signature]*
DPH Materials Management

Re: DPH Prime Vendor Distribution Program

Date: July 19, 1996

Scope of Work.

The DPH Department of Materials Management will use the Prime Vendor Distribution Program to distribute medical/ surgical supplies to all of the sites within the Department of Public Health; these include the CPHS clinics, the Paramedics, Laguna Honda Hospital, and San Francisco General Hospital. The supplies distributed by this Prime Vendor will utilize City & County Contracts procured in compliance with all City & County Purchasing requirements. The DPH will pay only for supplies properly ordered and received at the DPH sites; the price paid will be inclusive of the distribution fees. The supplies will be delivered to the sites in an industry system referred to as Just-in-Time and in the customer/ user's defined lowest unit of measure. These terms refer to a system designed to eliminate purchasing in bulk quantities from direct manufacturers; and, the resultant excessive inventory levels. These excessive inventory levels are expensive and often serve the supplier rather than the purchaser. This Just-in-Time prime vendor distribution system includes several defined procedures that result in cost reductions in Supply Chain Management; and yet increase the levels of service to the customer. The Healthcare industry has used this system for over 10 years.

Advantages to the Department of Public Health and the Human Rights Commission.

The major advantages of this program are:

1. **Decrease the Supply Chain Management Costs.** These include all costs incurred in the purchase, the receipt and the distribution of supplies.
2. **Increase the participation of Certified MBE/WBE's.** This contract will enable the Department to increase its Certified MBE/WBE participation from its current level of less than 5% to a minimum of 35%. We will attain 39% level within the first 90 days of the contract.

3. Releasing 12,000 square feet of space currently devoted to inventory storage. This program will allow is to release this space at San Francisco General Hospital. The fair market value of this opportunity is estimated to be \$93,600 annually.

4. Realize a one time savings of approximately \$1,300,000. This will be accomplished by the sale of the existing inventories, at DPH acquisition cost, to the Prime Vendor.

5. Increase the availability of Medical and Surgical Supplies. In this Prime Vendor Distribution Program, all medical and surgical supplies will have guaranteed fill rates from the Distributor. In our current system we do not have guaranteed fill rates; and, therefore we are overstocked on some products and precariously short on others. This situation compromises both our ability to meet our patient needs, and our fiscal responsibilities.

City and County of San Francisco

Human Rights Commission



Contract Compliance
 Dispute Resolution/Fair Housing
 Minority/Women/Local Business Enterprise
 Lesbian Gay Bisexual Transgender & HIV Discrimination

Edwin M. Lee
 Director

MEMORANDUM

TO: Michelle Ruggels
 Budget Analyst

FROM: Ed Lee, HRC Director *EmL*

DATE: August 12, 1996

RE: Summary of MBE/WBE Participation in the Prime Vendor
 Distribution Program.

=====

Listed below is the list of Certified MBE/WBE manufacturers and suppliers that are in the DPH Prime Vendor Distribution Program. This is the projected annualized dollars for FY 96/97. The efforts to locate and help stimulate Certified MBE/WBE's have yielded a significant increase in their participation in the DPH. We are confident that the momentum will continue and will yield even more participation. As stated before, this participation level exceeds the 35% level described in the Contract. As the Director of the Human Rights Commission, I have been a very active participant in this process.

Certified MBE/WBE
Vendor

Annualized Volumes (Dollars in the
Prime Vendor Distribution Program

Allied Medical	\$ 48,500
Broadline Medical	\$ 2,750,000
Lucy Sales	\$ 120,150
Ramsell	\$ 172,950
Santora Sales	\$ 5,000
Total	\$ 3,096,600

/mc





INTERNATIONAL
FEDERATION OF
PROFESSIONAL
AND
TECHNICAL
ENGINEERS

LOCAL 21
AFL-CIO

An Organization of
Professional and Allied
Technical Employees

OPHEUM
THEATER BUILDING
132 MARKET STREET
ROOM 425
SAN FRANCISCO, CA
94102-4921

(415) 864-2100
FAX (415) 864-2166

Post-it Fax Note 7671		Date 7/16/96	# of pages 2
To Michelle Ruggles	From Linda Totoku		
Co/Dept Budget Analyst	Ca L. 21		
Phone #	Phone # 864-2100		
Fax # 252-0461	Fax # 864-2166		

July 3, 1996

Supervisor Tom Ammiano, Chair
Board of Supervisors Government Efficiency and Labor Committee
401 Van Ness Avenue, 3rd Floor
San Francisco, CA 94102

Subject: Protest PrimeVendor Contract - Prop J

Dear Tom:

Please note the attached memo from our Purchaser's Chapter. We have met with the Controller's Office, Purchaser's Office, and San Francisco General Hospital Personnel on June 25th. We brought several of our concerns to their attention:

- 1) We were not noticed by the Controller's Office regarding the proposal to "Prop J" contract our members' work out; and
- 2) The initial information given to us by the Health Department was erroneous and stated that the only classification affected by this proposed "Prop J" contract was an 1811 MIS position. In fact, it affects 2 purchaser positions- (2) 1952 Purchasers; and
- 3) The workload involving procurement of equipment and supplies remains (work not covered in the contract) at San Francisco General Hospital even though the Hospital will not workorder 2 FTE Purchaser positions in the FY 96-97 budget; and
- 4) Our purchaser's refute the premise that "procurement of supplies can be practically performed for the Purchaser's Office in behalf of DPH by private contractor for a lower cost than similar work services performed by City and County employees"; and
- 5) The proposed contract provides for additional purchases as needed, and for purchases over \$1,000.00 requires competitive bid through the Prime Vendor -- thus, generating more purchaser's work to provide needed oversight; and
- 6) Even if you decide to "Prop J" this work there needs to be a gradual "phase-in" of the contract -- Prime Vendor may not be able to provide all products and the Hospital must continue purchasing goods in the transition and continue to workorder the positions during this time.
- 7) According to Purchaser Rick Kimball the initial "Prime Vendor" discussions did not contemplate reductions in purchasing staff but an increase of 2 positions (filling vacancies) so that the competitive bidding process would receive more attention to achieve cost savings.

The concern is that work be absorbed through the appropriate existing civil service classifications. We believe that there is sufficient workload to maintain the existing purchasing staff at San Francisco General Hospital. Additionally, we

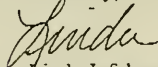
Page Two--
Letter to Tom Ammiano
July 3, 1996

have seen too many contracts run "amuck" with costly amendments and inefficiencies after very "cheap" initial bids. Purchaser's oversight is needed.

We ask that you consider our concerns prior to the calendar of the Prime Vendor contract. Our purchasers request to testify at the hearing. Please let us know when the contract will be calendared.

Thank you for your consideration.

Sincerely,



Linda Jofuku
Sr. Representative

cc: Carlos Chavez
Tony Fiore
Rick Kimball
David Novogrodsky
Jo Anne Lawrence
Michael Yaki
Leslie Katz
Ed Harrington
John Madden
Matt Hymel

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE

Department: Department of Public Health

Contract Service: Materials Management, Prime Vendor Distribution Program

For the term starting approximately: June 1996 through June 1999

Who performed services prior to contracting out? CCSF employees of the Department of Public Health in the areas of Materials Management functions

Number of City employees laid off as a result of contracting out? 16.5 Full Time Equivalents

Explain disposition of employees if they were not laid off The Department is currently involved with discussions to address this issue..

What percent of a City employee's time is spent on services to be contracted out? 100 % of the time for the aforementioned 16.5 Full Time Equivalents

How long have the services been contracted out? The services have not been contracted out prior to this proposed contract

How will contract services meet the goals of your MBE/WBE Action Plan? The contract contains the requirements for a 35% MBE/WBE participation for the goods and services provided; this will represent a significant increase from our current participation of less than 5.0%. This plan was developed in close cooperation with the Human Rights Commission and has their approval.

H. Dwight Starr
Department Representative

206-5088
Telephone

Item 3 - File 30-96-12

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of July 23, 1996.

Department: Department of Public Health (DPH)
Division of Mental Health Services (DMHS)

Item: Resolution designating certain facilities as evaluation and treatment facilities pursuant to Welfare and Institutions Code Section 5150 and 5250 et. seq., rescinding Resolutions Numbers 588-94 and 47-70 setting forth previous designations, and authorizing the Deputy Director for Mental Health Services to enter into agreements with said facilities.

Description: The State's Welfare and Institutions Code Sections 5150 and 5250 authorize counties to designate hospitals to involuntarily detain persons to provide them with 72-hour psychiatric evaluations and 14-day psychiatric treatments.

The Board of Supervisors designated seven such facilities, including Langley Porter Psychiatric Institute, San Francisco General Hospital, St. Mary's Hospital and Medical Center, California Pacific Medical Center, St. Francis Memorial Hospital, Westside Community Crisis, and St. Luke's Hospital, through Resolution 588-94 (File 30-94-16), and the San Francisco Veterans Administration Medical Center, through Resolution 47-70 (approved by the Board of Supervisors in 1970).

This proposed resolution would add the Ralph K. Davies Medical Center and the San Francisco Mental Health Rehabilitation Facility to the list of designated facilities, rescinding the previous resolutions and combining all designations into this resolution. The proposed resolution would also authorize the Deputy Director of Mental Health Services to enter into agreements with each of the above listed hospitals to implement the designated facility status. These agreements stipulate the respective responsibilities of the DPH Division of Mental Health Services and the hospitals. For example, the Division of Mental Health Services is responsible for providing pre-admission and post-discharge community mental health services to appropriate individuals. The designated facilities, in turn, are responsible for compliance with Welfare and Institutions Code Sections 5000 et. seq. and other codes, and shall maintain 24-hour per day admission capabilities, in addition to other responsibilities as described in the agreement.

Comments:

1. Facilities were last designated as evaluation and treatment facilities in June, 1994 through Resolution 588-94. As noted above, the current designated facilities are the same, with the exception of the addition of the Ralph K. Davies Medical Center and the San Francisco Mental Health Rehabilitation Facility, which is the subject of the proposed resolution.
2. The proposed resolution would not obligate the City to fund psychiatric services provided to those persons detained involuntarily. Therefore, the proposed resolution would have no fiscal impact for the City.

Recommendation: Approval of the proposed resolution is a policy matter for the Board of Supervisors.

Item 4 - File 172-96-22

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of July 23, 1996.

Department: Department of Human Services (DHS)

Item: Resolution authorizing the Executive Director of the Department of Human Services to enter into a Memorandum of Understanding (MOU) with the California State Department of Social Services to perform licensing functions for the State with regard to the licensing of foster family homes.

Description: The Department of Human Services (DHS) has an ongoing Memorandum of Understanding (MOU) agreement with the California State Department of Social Services (CDSS) to perform specific licensing functions for the CDSS with regard to the licensing of foster family homes located in San Francisco.

The functions performed by the Family and Children Services (FCS) Program of the DHS, which pertain to the licensing of foster homes in San Francisco, include the implementation and enforcement of all California State laws, rules, regulations, standards, and policies pursuant to Chapter 3 of the California Health and Safety Code, Chapter 7.5 of Division 6 of the California Code of Regulations, Title 22, and the State's Community Care Licensing Division Evaluator Manual.

Ms. Judy Bley of DHS advises that although the DHS has an existing MOU agreement with the State, and that existing MOU does not have an expiration date, the City is required by the State to enter into a new MOU agreement due to (1) the relocation of the DHS's Family and Children Services Program, and (2) a reorganization of the FCS Program, as required by State regulations, to separate the reporting hierarchy of the staff responsible for performing the licensing functions from the staff responsible for placing children into foster family homes. In May of 1996, the Board of Supervisors approved legislation to relocate the DHS's Family and Children Services Program by no later than August 1 1996 from 1440 Harrison Street to an existing DHS site at 170 Otis Street (File 64-96-3). Ms. Bley advises that funds for the relocation of the Family and Children Services Program to 170 Otis Street have been included in the FY 1996-97 budget.

Comments:

1. Ms. Bley advises that the State reimburses the DHS on an annual basis for administrative expenditures resulting from the performance of the licensing functions required by the State. Ms. Bley advises that the State's annual allocation of \$1,011,625 is included in the FY 1996-97 budget, or \$10,541 less than the annual payment of \$1,022,166 received in FY 1995-96.

2. Ms. Bley advises that the only changes between the existing MOU and the proposed MOU are to reflect (1) the address change for the Family and Children Services Program from 1440 Harrison Street to 170 Otis Street, and (2) the reorganization of the FCS Program, as required by State regulations, to separate the reporting hierarchy of the staff responsible for performing the licensing functions from the staff responsible for placing children into foster family homes.

Recommendation: Approve the proposed resolution.

Item 5 - File 27-96-9

Department: Airport

Item: Ordinance approving a modification of Lease No. DFTA08-95-14707 between the Federal Aviation Administration (FAA) and the City and County of San Francisco, through the Airports Commission.

Description: The Airport reports that the FAA installs, operates and maintains all air navigational instruments and aids at the Airport in order to ensure the safety of aircraft movements.

The Airport advises that the Airport and the FAA desire to relocate some navigational equipment, installed and maintained by the FAA, in order to accommodate a new taxiway on the northeast side of the airfield. The equipment consists of an antenna array (system of antennas for radio transmission or reception). According to the Airport, the proposed new taxiway will allow aircraft to cross Runway 28R without restricting aircraft landings. Currently, aircraft which have to cross Runway 28R are subject to lengthy delays because they have to wait for aircraft to land before crossing.

The proposed ordinance would authorize the modification of the subject FAA lease between the FAA and the City to accommodate the relocation of the antennas and the related installation of an equipment shelter and two power cables.

Comments: 1. Mr. Bob Rhoades of the Airport reports that the estimated cost to relocate the antenna array and the related installation of an equipment shelter and two power cables is approximately \$250,000. Mr. Rhoades notes that while the FAA is responsible for paying for the installation, operation and maintenance of all air navigational instruments and aids at the Airport, the Airport is responsible for paying the cost to relocate such instruments when necessary. Mr. Rhoades advises that the cost to relocate the antenna array will be paid from previously appropriated Airport operating funds.

2. The Airport advises that the proposed project is scheduled to commence on or about September 4, 1996 and will be completed by November of 1996.

Recommendation: Approve the proposed ordinance.

Item 6 - File 93-96-28

- Department:** Department of Human Resources (DHR)
- Item:** Ordinance adopting and implementing the provisions of Amendment No. 1 to the Memorandum of Understanding (MOU) between the Building Inspectors Association and the City and County of San Francisco providing that all covered employees be placed into full retirement contribution status effective two pay periods after approval of this ordinance.
- Description:** The Board of Supervisors previously approved legislation ratifying an MOU between the City and the Building Inspectors Association for classifications Nos. 6331, Building Inspector and 6333, Senior Building Inspector, for a period of three years, July 1, 1994 to June 30, 1997 (File 93-94-17.2).
- Mr. Kieran Murphy of the Employees Retirement System advises that employee contributions to the Retirement System made by City employees are either (1) full "pre-tax" contributions (that is, income taxes on all of the employee's contributions are deferred until the money is paid to the employees either in the form of a refund upon separation or in the form of a retirement benefit payment) or (2) "partial pre-tax/partial after-tax" contributions (that is, income taxes are deferred on only a portion of the covered employee's contributions to the Retirement System).
- Section 16.61-1(4)(a) of the Administrative Code provides that MOU's may specify, under the mutual agreement of the bargaining unit and the City, that all covered employees who are members of the Retirement System will be placed into either full pre-tax contribution status or into partial pre-tax/partial after-tax contribution status.
- The proposed ordinance would amend the MOU between the City and the Building Inspector's Association, pursuant to Section 16.61-1(4)(a), to provide that all employees covered by this MOU shall be placed into full pre-tax contribution status. The purpose of this amendment is to allow those covered employees who are currently under partial pre-tax/partial after-tax to be converted to full pre-tax contribution status and thereby have all their income taxes deferred.
- Comment:** According to the attached memorandum from Mr. Murphy, the proposed amendment to the MOU will have no fiscal impact on the City, but would simply change the amount of

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

Federal and State taxes which would be withheld from some of the employees covered under the subject MOU.

Recommendation: Approve the proposed ordinance.

City and County of San Francisco

San Francisco City and County
Employees' Retirement System



August 14, 1996

Post-it* Fax Note	7671	Date	# of pages 2
To	SANDY BROWN -		
Co./Dept.	RICHARDSON		
Phone #	Phone #		
Fax #	252-0461		

TO: Sandy Brown-Richardson
Budget Analyst's Office

FROM: Kieran Murphy *KM*
Actuary

RE: Building Inspector's Association MOU
- Amendment Number One

Employee contributions to the Retirement System are either fully pre-tax (that is, income taxes on all of the contributions are deferred until the money is paid to the member in the form of a refund or a benefit payment) or partially pre-tax and partially after-tax (that is, income taxes are deferred on only a part of the contributions). If a member wished to pay only reduced contributions into the System, then his or her contribution tax-status had to be the latter.

Under Administrative Code Section 16.61-1, members generally made an individual choice as to whether their contributions would be fully pre-tax or partially pre-tax/partially after-tax. Section 16.61-1(4)(a) provides an exception to that rule; under this section, an MOU can determine the tax status of employee contributions for all members of the covered employee group. The above MOU amendment (see attached) is a change pursuant to Section 16.61-1(4)(a). It places all employees covered in a fully pre-tax status.

The amendment will have no cost impact on the City or on the Retirement System. It will simply change the amount of federal and state taxes withheld for some employees.

I believe a similar change has already been made for SEIU members and is planned for Local 21 members.

Please let me know if you have any questions.

**AMENDMENT NUMBER ONE
TO
MEMORANDUM OF UNDERSTANDING**

**BETWEEN THE BUILDING INSPECTORS ASSOCIATION
AND
THE CITY AND COUNTY OF SAN FRANCISCO**

Pursuant to San Francisco Administrative Code section 16.61-1 (4) (a) the parties mutually agree to amend the provisions of the current Memorandum of Understanding by adding the following paragraph

Effective the beginning of the second pay period following approval by the Mayor of the implementing ordinance all employees covered by this Memorandum of Understanding shall be placed into a full retirement contribution status. The parties recognize that the implementation of full contribution rather than reduced contribution is irrevocable.

Dated: 7/29/96

For the City and County of San Francisco

Andrea R. Gourdine
Andrea R. Gourdine
Human Resources Director

Post-It™ brand fax transmittal memo 7571		# of pages = 1
To <u>KIERAN</u>	From <u>Wamba</u>	
Co. <u>MURPHY</u>	Co.	
Dept.	Phone #	
Fax #	Fax #	

For The Building Inspectors Association

Donna Levitt
Senior Business Representative

APPROVED AS TO FORM
LOUISE H. RENNE
CITY ATTORNEY

Luise H. Renne
Deputy City Attorney

Item 10 - File 186-96-4

Department: City Administrator

Item: Ordinance authorizing the City Administrator to negotiate directly with the San Francisco Convention and Visitors Bureau without competitive bidding, for the development and operation of the San Francisco Affinity Credit Card Program, and authorizing the Bureau to select private companies to provide services in connection with the Affinity Credit Card Program.

Description: In June of 1995, the Board of Supervisors approved legislation urging the Chief Administrative Officer (CAO), now known as the City Administrator's Office, to examine proposals for the creation of an Affinity Credit Card for the City and County of San Francisco (File 186-95-5).

According to the City Administrator's Office, Affinity Credit Cards are credit cards which financially benefit a cause or an organization or an affiliation by providing that the given cause, organization or affiliation receives a percentage of the sales paid for through the use of the credit cards. Potential Affinity Credit cardholders are offered the opportunity to obtain a specially designed card, at competitive interest rates, that would, through the cardholders usage, contribute money to the cardholders preferred cause/charity, organization or affiliation. At the same time, the design features of the card visibly show the cardholders "affinity" for the particular cause/charity, organization or affiliation.

In August of 1995, the CAO (now the City Administrator) issued a Request for Proposal (RFP) to approximately 100 financial institutions and credit card companies. In response to the RFP, the CAO received one proposal from the Bank of Hawaii, which was considered non-responsive because it did not meet all of the criteria included in the RFP. The CAO then retained the Affinity Marketing Group, for a flat amount of \$9,000, to assist in determining a strategy for the development of an Affinity Credit Card. The City Administrator advises that Affinity Marketing Group's standard fee is \$10,000 per month plus expenses. According to the City Administrator, Affinity Marketing Group, which is not an MBE or a WBE firm, was selected on a sole source basis because of the uniqueness of the services provided and the limited number of firms which provide such services. The Affinity Marketing Group recommended that the City Administrator work with the San Francisco Convention and

Visitors Bureau in the development of an Affinity Credit Card.

The City Administrator is now proposing to negotiate directly with the Convention and Visitors Bureau, without competitive bidding, for the development and operation of the San Francisco Affinity Credit Card Program.

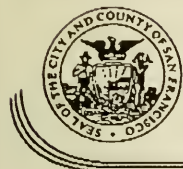
Comments:

1. Mr. Neal Taniguchi of the City Administrator's Office advises that the City Administrator will begin negotiations with the Convention and Visitors Bureau pending approval of the proposed ordinance. Therefore, Mr. Taniguchi advises that the City Administrator's Office is unable, as of the writing of this report, to estimate what, if any, costs would be incurred by the City or the amount of revenues that would accrue to both the City and the Convention and Visitors Bureau based on the establishment of a San Francisco Affinity Credit Card Program.

2. Under the proposed ordinance, the City Administrator would be authorized to enter into negotiations with the Convention and Visitors Bureau without competitive bidding. However, the proposed ordinance states that nothing in this ordinance shall grant any authority to the City Administrator to enter into any agreement with the Bureau pertaining to the Affinity Credit Card Program without the approval of the Board of Supervisors.

3. Attached is a memo from Mr. Bill Lee, the City Administrator, explaining why the City Administrator's Office is requesting authorization to negotiate with the San Francisco Convention and Visitors Bureau, without competitive bidding, for the development and operation of the City's Affinity Credit Card Program.

Recommendation: Approval of the proposed ordinance is a policy matter for the Board of Supervisors.

OFFICE OF THE
CITY ADMINISTRATOR

WILLIE L. BROWN, JR.
MAYOR

WILLIAM L. LEE
CITY ADMINISTRATOR

July 15, 1996

San Francisco Board of Supervisors
City and County of San Francisco
401 Van Ness, Room 308
San Francisco, CA 94102

RE: City Affinity Credit Card legislation; For entry to File 186-94-4

Dear Supervisors:

You will find attached legislation, introduced for Board of Supervisors consideration by Supervisor Sue Bierman.

Pursuant to a Board resolution, last year the CAO undertook a competitive request for proposals process to find a banking institution that would develop an affinity credit card program for the City. The results of that competitive RFP process were less than satisfactory. We received only one response, which was marginal, if not unresponsive.

The CAO's Office then brought in a short-term consultant to assist the City in determining the best possible strategy for developing an affinity credit card program for the City. That consultant recommended that we work cooperatively with the San Francisco Convention and Visitors Bureau, since the Visitors Bureau possesses the expertise and experience in marketing, and has been historically responsible for, through its Hotel Tax fund allocation, marketing the City of San Francisco.

Based on the consultant's suggestion, we are contemplating a strategy whereby the City would delegate to the Convention and Visitors Bureau, without competitive bidding, the responsibility for selecting a business partner(s) (credit card company, bank, etc.) for the project. The legislation that has been introduced would authorize the City Administrator to negotiate and work directly with the Convention and Visitors Bureau in developing and implementing a credit card program. The Convention and Visitors Bureau will coordinate the interview and selection of companies that will participate in the Program.

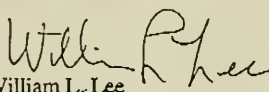
Pursuant to a separate agreement with the Convention and Visitors Bureau to be approved by the Board of Supervisors, the City would retain rights to approve the selection of business partners, the direction of the project, the use of the City Seal, and the negotiation of license revenues.

We believe that this strategy affords the City the best possible chance of obtaining an affinity credit card program that is successful, markets the City of San Francisco effectively, and earns revenue for the City's General Fund.

We understand the various policy issues with respect to competitive selection for contractual services. However, the project team believes that the Convention and Visitors Bureau is the most qualified organization to implement this project for the City, because of the Bureau's expertise and track record in marketing San Francisco.

I ask for your favorable consideration of this proposal. If you should have any questions or concerns, please contact Neal Taniguchi of my staff.

Yours truly,


William L. Lee
City Administrator

cc: John Taylor, Clerk of the Board
Neal Taniguchi, City Administrator's Office
Mike Cohen, City Attorney's Office
Rebecca Prozan, Mayor's Office
Jack Moerschbacher, Director of Convention Facilities
Georgia Dunn, City Administrator's Office
Brian Baker, San Francisco Convention and Visitors Bureau

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

Item 11 - File 25-96-1

Note: This item was continued by the Government Efficiency and Labor Committee at its meeting of June 11, 1996.

Department: Port of San Francisco

Item: Resolution concurring with the controller's certification that Janitorial Services for the Port can continue to be practically performed by a private contractor at lower cost than by City and County employees.

Services to be Performed: Janitorial Services for the Port (Attachment I, provided by the Port, is a list of the Port locations that will be served by the proposed contractor.)

Description: Charter Section 10.104 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting Janitorial Services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$475,507	\$485,260
Fringe Benefits	<u>143,774</u>	<u>145,363</u>
Total	\$619,281	\$630,623
<u>Contractual Services Cost</u>	<u>475,032</u>	<u>475,032</u>
<u>Estimated Savings</u>	<u>\$144,249</u>	<u>\$155,591</u>

Comments:

1. Janitorial Services for the Port were first certified as required by Charter Section 10.104 in 1979 and have been continuously provided by an outside contractor since 1979.

2. According to Mr. Chris Stewart of the Purchaser's Office, the current two year contract expired on February 29, 1996,

BOARD OF SUPERVISORS
BUDGET ANALYST

and has been continued on a month-to-month basis since then with the following three contractors: (1) Township Building Service; (2) Custodial, Janitorial Service and Building Maintenance; and (3) Ward's Building Maintenance. Custodial, Janitorial Service and Building Maintenance; and Ward's Building Maintenance are MBE firms. Mr. Stewart advises that the three contractors will continue to perform the janitorial services on a month-to-month basis until such time as the Board of Supervisors approves the proposed resolution. Mr. Stewart advises that the proposed contractor (See Comment No. 3) will provide all of the janitorial services which are currently performed by the three contractors listed above.

3. Mr. Stewart advises that the term of the proposed contract is for a period of two years commencing July 1, 1996, with a one-year renewal option. The Purchaser's Office selected the firm of GMG Janitorial, as the lowest of six bidders, to provide the proposed janitorial services for an amount of \$475,032.

4. Mr. Stewart advises that GMG Janitorial is a WBE firm. Mr. Stewart advises that GMG Janitorial does not provide health benefits to its employees or to the domestic partners of its employees.

5. Attachment II, provided by the Port, is the Controller's supplemental questionnaire with the Port's responses, including the MBE/WBE status of the contractor.

Recommendation: Approval of the proposed resolution is a policy decision for the Board of Supervisors.

The following buildings are part of the Janitorial contract.

501 Army Street
401 Terry Francois
Pier 70 Bldg. 11
Pier 9
Pier 27
Pier 33
Pier 33 1/2
Pier 35
Fisherman's Wharf Office
Ferry Bldg./WTC
Agri. Culture Bldg.

CHARTER 8.300-1 (Proposition J) QUESTIONNAIRE**Department:** Port of San Francisco**Period:** Fiscal Year 96-97**1. Who performed services prior to contracting out?**

Services were performed by City staff consisting at the time of 15 janitors, 1 janitor subforemen, and 1 Janitor Foremen, a total of 17 people, prior to the work being contracted out in November 1979.

2. Number of City employees laid off as a result of contracting out?

16 people were laid-off but immediately or shortly thereafter, hired by other City departments.

3. Explain disposition of employees if they were not laid off.

All were rehired in other City departments during 1979/80.

4. What percent of a City employee's time is spent on services to be contracted out?

If work was not to be contracted out, it would be required 17 FTE.

5. How long have the services been contracted out? Since 1979.**6. What was the first fiscal year for a Proposition J Certification? 1979.****7. How will contract services meet the goals of your MBE/WBE Action Plan?**

Contractor is a WBE firm.

8. Does the contractor provide health insurance for its employees?

No. City's Purchasing laws does not presently require health insurance for contractors.

Veronica Sanchez
Department Representative (Signature)

Veronica Sanchez
Print Name

415-274-0413

Item 12 - File 25-96-17

Department: District Attorney

Item: Resolution concurring with the Controller's certification that assistance to certain victims of crime and hate-crime prevention services can continue to be practically performed for the District Attorney's Victim-Witness Assistance Program by a private contractor for a lower cost than similar work services performed by City and County employees.

Services to be Performed: Victim Witness Services for the District Attorney's Victim-Witness Assistance Program

Description: Charter Section 10.104 provides that the City may contract with private firms for services which had been performed by City employees if the Controller certifies, and the Board of Supervisors concurs, that such services can in fact be performed by private firms at a lower cost than similar work services performed by City employees.

The Controller has determined that contracting Victim-Witness services for FY 1996-97 would result in estimated savings as follows:

	Lowest Salary Step	Highest Salary Step
<u>City-Operated Service Costs</u>		
Salaries	\$119,747	\$141,767
Fringe Benefits	32,649	36,315
Operating Expenses	<u>22,356</u>	<u>22,356</u>
Total	\$174,752	\$200,438
<u>Contractual Services Cost</u>	<u>118,456</u>	<u>118,456</u>
<u>Estimated Savings</u>	\$56,296	\$81,982

- Comments:**
1. A private contract for Victim-Witness services was first certified as required by Charter Section 10.104 in 1981 and such services have been provided by an outside contractor since then.
 2. The current one-year contract with Community United Against Violence (CUAV), a non-profit corporation, expired on June 30, 1996. The District Attorney's Office is seeking to

BOARD OF SUPERVISORS
BUDGET ANALYST

renew the current one-year contract for Victim-Witness services with CUAV. Ms. Veronica Zecchini of the District Attorney's Office advises that contractual services are provided on a sole-source basis by CUAV because CUAV has been the sole provider of assistance to certain victims of crime and hate-crime prevention services since 1981, and therefore is uniquely qualified to provide these services. According to Ms. Zecchini, CUAV provides health insurance for its employees and for its employees' domestic partners who are registered with the County Clerk-Recorder's Office.

3. As previously noted, the existing contract with CUAV to provide Victim Witness Services expired on June 30, 1996. The renewed one-year contract with CUAV commences on July 1, 1996. Approval of the proposed resolution should be amended to retroactively concur with the Controller's Certification, according to Mr. Ted Lakey of the City Attorney's Office.

4. The Contractual Services Cost used for the purpose of this analysis is the current contractor's estimate of providing victim witness services for FY1996-97.

5. The Controller's supplemental questionnaire with the Department's responses, including the MBE/WBE status of the contractor, is attached.

Recommendation: Approve the proposed resolution.

CHARTER 10.104 (PROPOSITION J) QUESTIONNAIRE

DEPARTMENT: District Attorney

CONTRACT SERVICES: Community United Against Violence

CONTRACT PERIOD: 7/1/96 - 6/30/97

(1) Who performed activity/service prior to contracting out?

The services were not provided prior to contracting out with CUAV.

(2) Number of City employees laid off as a result of contracting out?
None.

(3) Explain disposition of employees if they were not laid off?

The services were not provided by the City of San Francisco prior to the initial contract with CUAV; therefore, City employees have never been involved in the services.

(4) What percentage of City employee's time is spent on services to be contracted out?

None.

(5) How long have the services been contracted out? Is this likely to be a one-time or an ongoing request for contracting out?

Services have been contracted out since 7/1/81; the request will likely be on-going.

(6) What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?

1981-82. Yes.

(7) How will contract services meet the goals of your MBE/WBE Action Plan?

CUAV has established goals of hiring minority and women employees.

(8) Does the proposed contract require that the contractor provide health insurance for its employees? Even if it is not required, does the proposed contractor provide health insurance for its employees?

CUAV provides health insurance for its employees. Dependent coverage includes coverage for domestic partners.

Department Representative:

Telephone Number:


Veronica C. Zecchini, Director

SFDA Victim Services

554-9144

Item 13 - File 61-96-1

- Department:** San Francisco Water Department (SFWD)
- Item:** Resolution granting extension of time for award for San Francisco Water Department Contract No. WD-2122.
- Description:** Section 6.1 of the Administrative Code requires that the Board of Supervisors approve the extension of time to award a contract if award of the contract is not made within 30 days of the acceptance of the bid, or within an additional 30 days (for a total of 60 days) if required for implementation of affirmative action goals under Chapter 12B of the Administrative Code.
- Approval of the proposed resolution would grant the SFWD an extension of an additional 24 days, to award SFWD Contract WD-2122 (8-Inch Iron Main Installation on Geary Boulevard between 5th Avenue and Arguello Boulevard, and on Arguello Boulevard between Geary Boulevard and Fulton Street) in the amount of \$423,820 to the lowest responsive bidder, Francis Construction, Inc. Francis Construction, Inc. is not an MBE/WBE firm.
- Comments:**
1. Mr. Frank Mangold of the SFWD advises that the SFWD did not award the bid to Francis Construction, Inc. within the 60 day time limit due to the time required by the SFWD staff to evaluate a bid protest, submitted by the second lowest bidder, Marinship Construction Services, Inc.
 2. According to Mr. Bayard Fong of the Human Rights Commission (HRC), Marinship Construction Services, Inc. protested the low bid submitted by Francis Construction, Inc. on the basis that the bid failed to meet the MBE and WBE subcontracting goals set for the project. Mr. Fong advises that the HRC determined that the bid protest of Marinship Construction Services, Inc. was without merit because Francis Construction, Inc. has met and exceeded the MBE subcontracting goal of 21 percent and the WBE subcontracting goal of 5 percent established for this project.
 3. As noted above, approval of the proposed resolution would authorize the SFWD to award the contract to Francis Construction, Inc. for an amount of \$423,820. Mr. Mangold advises that this amount was included in the SFWD's FY 1996-97 budget.

Recommendation: Approve the proposed resolution.

Item 14 - File 172-96-23

Department: Department of Public Health (DPH)

Item: Ordinance authorizing the Director of the Department of Public Health to execute an agreement with the Regents of the University of California, through the University of California, San Francisco (UCSF) Clinical Practice Group (CPG), for the DPH Community Health Services Clinics physicians to provide health care services to Blue Cross and San Francisco Health Plan Medi-Cal Managed Care subscribers, and other managed care plans that contract with DPH and the CPG in the future. The agreement includes indemnification clauses that indemnify the Regents of the University of California from any claim or liability arising from wrongful acts of the City, its agents and employees.

Description: 1. The University of California San Francisco Clinical Practice Group (CPG), through an Affiliation Agreement between the Regents of the University of California and the City and County of San Francisco, provides medical and other professional staff at the DPH's San Francisco General Hospital. Physicians at the DPH's Community Public Health System clinics, by contrast, are direct employees of the City and County of San Francisco.

2. The City and County of San Francisco has entered into contracts with Blue Cross of California (File 172-96-18) and the San Francisco Health Plan (File 172-96-16) to provide health care services to members of both health plans. Blue Cross of California is the Mainstream Plan, and the San Francisco Health Plan is the Local Initiative Plan, under the State Department of Health Services 'two plan model' for the provision of managed care health services to Medi-Cal eligible individuals. These contracts establish the DPH as a contract health care service provider eligible for receipt of primary care physician referrals for delivery of inpatient and outpatient services to Medi-Cal recipients.

3. The Regents of the University of California, through the Clinical Practice Group, is entering into companion contracts with Blue Cross of California and the San Francisco Health Plan, for the provision of physician services. Under the contracts between the CPG and the health plans, the CPG is responsible for providing a primary care physician for each Medi-Cal enrollee. The proposed agreement is essentially a sub-contract under which physicians at the DPH's Community Public Health Services (CPHS) Clinics would serve as primary care physicians for individuals covered by

the CPG's contracts with both managed care plans, and the CPG would reimburse the City and County of San Francisco for such services.

4. The DPH has urged approval of this proposed agreement so that the CPHS clinics can preserve their Medi-Cal eligible client base and thus continue to maintain Medi-Cal patient revenues under managed care. CPHS clinics would be reimbursed for outpatient services under this agreement on a "capitated basis", meaning a single monthly payment per Medi-Cal recipient. These rates are not disclosed in the agreement. Under the City's "Sunshine" Ordinance, the Director of Public Health "may withhold from disclosure proposed and final rates of payment for managed health care contracts if the Director determines that public disclosure would adversely affect the ability of the City to engage in effective negotiations for managed health care contracts. The authorization to withhold this information applies only to contracts pursuant to which the City (through the Department of Public Health) either pays for health care services or receives compensation for providing such services, including mental health and substance abuse services, to covered beneficiaries through a pre-arranged rate of payment." (City and County of San Francisco Administrative Code Section 67.2.4(e) 2)

5. The proposed agreement reaffirms DPH's right to receive from the State of California 100 percent of reasonable costs for services provided to Medi-Cal Managed Care Plan enrollees by the DPH's Federally Qualified Health Centers (FQHCs). The proposed agreement states that any funds the Clinical Practice Group receives from the State for care provided at a DPH Federally Qualified Health Center must be remitted to DPH in full. The Federally Qualified Health Center program provides cost-based reimbursement for services rendered at an FQHC site. Such reimbursement is typically higher than rates received under capitated, managed care plans. Facilities must apply for certification as Federally Qualified Health Centers with the State Department of Health Services and the federal Health Care Financing Agency (HCFA), and must either be located in a Medically Underserved Area or serve a Medically Underserved Population, as defined by HCFA program guidelines.

6. Under the proposed agreement, CPHS agrees that San Francisco General Hospital (SFGH) is the preferred hospital of choice for acute care, emergency care, specialty care, and diagnostic services. However, the proposed contract states

that DPH shall be financially responsible for referrals to non-CPG providers and/or hospitals other than SFGH that do not conform to protocols established within each Managed Care contract.

7. The proposed agreement between the CPG and the DPH defines three types of 'risk pools' through which CPG and CPHS share in either the surplus or deficit of capitation payments versus actual expenditures. Such 'risk pools' are a standard practice in managed care, and are typically used to establish an incentive for parties to control costs and optimize utilization of services. In this proposed agreement, for each managed care contract in which San Francisco General Hospital and CPG are reimbursed on a capitated basis, and in which CPHS participates, there are the following three types of risk pools:

- (a) "Hospital Risk Pool" between SFGH and the CPG: All capitation payments, stop loss recoveries and refunds are paid into the Hospital Risk Pool. SFGH is then reimbursed out of the Hospital Risk Pool at specified rates for services provided to members of each Managed Care contract. Claims for unauthorized services at non-network providers for which SFGH is financially responsible (see paragraph #6 of the Description above) are also paid with funds from the Hospital Risk Pool. The interim surplus or deficit is calculated on a quarterly basis, and CPG and SFGH each receive (or are financially responsible for) a specified percentage of the surplus (or deficit). A final surplus (or deficit) and reconciliation is calculated on an annual basis.
- (b) "Subcontractor Hospital Risk Pool" between the CPHS clinics and the CPG: if 500 or more enrollees have been assigned to the CPHS primary care clinics. The surplus or deficit is determined based on a projected number of inpatient admissions and ambulatory surgeries. Interim variances are calculated quarterly based on actual utilization versus the projected utilization, times a dollar value for each service, and final variances and reconciliations are calculated annually.
- (c) "Specialty Risk Pool" between the CPHS clinics and the CPG: if 500 or more enrollees have been assigned to the CPHS primary care clinics. The surplus or deficit is determined based on a projected per member per month cost for specialty services. The interim variance between the projected cost and actual cost (which is based on actual utilization times the Medi-Cal

reimbursement rates) is calculated on a quarterly basis, and the final variance is calculated and reconciled annually.

For the Subcontractor Risk Pool and the Specialty Risk Pool, the CPHS' portion of the surplus or deficit is limited to a specified percentage of the capitation revenue. Participation in these two risk pools are voluntary, and the Director of Health has the authority to re-negotiate the risk pool parameters, within certain limits.

Comments:

1. The first phase of managed care for Medi-Cal recipients will be for AFDC participants only. However, the requirements for managed care will be expanded to all Medi-Cal recipients by the State in the future.

2. The DPH hopes to preserve its current Medi-Cal revenue base. According to Mr. Bob Prentice of the DPH, the Community Public Health Services clinics would very likely lose a portion of its current Medi-Cal clientele if it did not agree to accept patients and provide primary care services to San Francisco Health Plan and Blue Cross Medi-Cal enrollees as provided under this proposed ordinance. Although the DPH is unable to provide a precise fiscal impact estimate for the proposed agreement at this time, based on the AFDC clients who utilize CPHS outpatient services, the DPH estimates that as much as \$2.5 million in annual clinic revenues are at risk because of the change to managed care programs to be operated by the San Francisco Health Plan and Blue Cross of California. Mr. Prentice reports that the CPHS clinics receive approximately \$5 million in annual revenues from Medi-Cal, approximately half (or \$2.5 million) of which are from AFDC clients.

Recommendation: Approve the proposed resolution.

Item 15 - File 172-96-24

Department: Sheriff's Department

Item: Resolution authorizing the Sheriff's Department to enter into an agreement with the University of California, San Francisco, for program evaluator services; the agreement provides for dual indemnification from claims or other damages which may arise as a result of performance under said agreement.

Contract Amount: \$16,317

Term of Contract: July 1, 1996 through September 30, 1996 (three months)

Source of Funds: Federal Center for Substance Abuse Treatment (CSAT)

Description: In August 1993, the Board of Supervisors authorized the Sheriff's Department to accept and expend a three-year grant from the Federal Center for Substance Abuse Treatment to fund the Sisters in Sober Treatment Empowered in Recovery (SISTER) Project, a comprehensive treatment program for female inmates with substance abuse problems (File 152-93-4).

In order to receive the grant funds, the Sheriff's Department was required to conduct an independent evaluation of the project throughout the three-year period (October 1, 1993 through September 30, 1996) of the Federal grant. Accordingly, in FY1994-95 and FY1995-96, the Board of Supervisors approved a resolution that authorized the Sheriff's Department to enter into an agreement with the University of California, San Francisco (UCSF), for UCSF to provide the independent evaluation of the SISTER project (File 172-94-30 and File 172-95-41).

Although the term of the three-year Federal grant expires on September 30, 1996, the current one-year agreement, in the amount of \$81,207, between the Sheriff's Department and UCSF, expired on June 30, 1996. Therefore, the proposed resolution would authorize a new agreement to extend the independent evaluation services provided by UCSF from July 1, 1996 through September 30, 1996 (a three-month period) to coincide with the expiration of the Federal grant.

The purpose of the proposed three-month agreement would be to authorize UCSF to continue to provide the following evaluation services: (a) assisting in the production of an annual report on the in-custody substance abuse treatment

program; (b) interfacing with the Sheriff's Department and substance abuse treatment staff to report on the results of the process evaluation; and (c) providing quarterly reports to the Sheriff's Department on all aspects of the project.

Budget:

Federal grant funds in the amount of \$16,317 are included in the Sheriff's Department FY1996-97 budget for the proposed three-month agreement with UCSF. Attached is the budget, as provided by UCSF, that details the total budget of \$16,317 for the proposed agreement.

Comments:

1. Under the proposed agreement, both the City and UCSF would hold each other harmless from any liability, loss, expense, attorney's fees or claims or injury and damages arising out of the performance of the agreement. Sergeant Ridgeway reports that the same indemnification clause was included in the previous agreement with UCSF, which was approved by the Board of Supervisors in 1995.

2. Sergeant Ridgeway of the Sheriff's Department reports that because the Federal grant for the SISTER Project is going to expire on September 30, 1996, the Sheriff's Department's FY1996-97 budget includes \$309,990 in General Fund monies to continue the SISTER Project from the period of October 1, 1996 through June 30, 1997. Sergeant Ridgeway advises that once the SISTER Project is funded by the City and not by Federal funds, the independent evaluator services provided by UCSF will not be required. Sergeant Ridgeway also advises that the Department is committed to administering the SISTER Project on an ongoing basis, and, therefore, the Department anticipates that it will budget funds for this project in FY1997-98.

3. As noted above, the three-month agreement with UCSF commenced on July 1, 1996. Therefore, the proposed resolution should be amended to authorize the Sheriff's Department to enter into the agreement with UCSF retroactively.

Recommendation:

1. Amend the proposed resolution to authorize the Sheriff's Department to enter into the agreement with UCSF retroactively.
2. Approve the proposed resolution as amended.

ATTACHMENTPROPOSED BUDGET

Contract between SF Sheriff's Department and University of California, San Francisco,
Medical Center (Department of Pediatrics, Division of Behavioral & Developmental
Pediatrics)

Project: Study of Substance-Abusing Teens and Young Women Who Are
Incarcerated

Period: July 1, 1998 to September 30, 1998

REF: UCSF Control No.
SF Sheriff's Dept. PO No

444941/20881
PPOSH 96000228

PERSONNEL	FTE	SALARY	SUBTOT
L. Santiago, PhD, Psychologist	0.2	2,125	
J. Beauford, PhD, Psychologist	0.1	978	
D. Campt, Sr. Policy Analyst	0.4	4,284	
S. Kim, Research Assistant	0.6	3,550	
Benefits @ 17.5%		1,913	
Subtotal, Salaries & Benefits			12,850
Supplies		100	100
Subtotal, Direct Costs			12,950
Indirect Costs @ 26%			3,367
TOTAL			16,317

Jane F. Belanger
Jane F. Belanger
Administrative Analyst
Behavioral & Developmental Pediatrics
Department of Pediatrics
University of California, San Francisco,
Medical Center

Item 16 - File 172-96-25

Department: Sheriff's Department

Item: Resolution authorizing the Sheriff's Department to enter into an agreement with Dr. George Bach-Y-Rita to provide psychiatric evaluation services; the agreement provides for dual indemnification from claims or other damages which may arise as a result of performance under said agreement.

Contract Amount: \$8,000

Term of Contract: July 1, 1996 through June 30, 1997 (one year)

Source of Funds: Sheriff Department Operating Funds

Description: The proposed resolution would authorize an agreement between the Sheriff's Department and Dr. George Bach-Y-Rita, a psychiatrist who has a private practice in the City of San Francisco. This agreement would allow Dr. Bach-Y-Rita to provide in-depth psychiatric evaluation services for candidates for employment, as well as for existing employees in the Sheriff's Department. Sergeant Ridgeway of the Sheriff's Department advises that psychiatric evaluations are required by law for all entry-level Sheriff's Department applicants for Deputy Sheriff positions as part of the pre-employment examination process for peace officers. Attachment 1, as provided by the Sheriff's Department, explains the requirements for psychiatric evaluation services of employees of the Sheriff's Department and the specific position classifications which must undergo such psychiatric evaluations.

According to Sergeant Ridgeway, psychiatric evaluation services have been provided under contract by Dr. Bach-Y-Rita since 1990. The proposed agreement between the Sheriff's Department and Dr. Bach-Y-Rita is the first agreement to include an indemnification provision, and, therefore, requires approval by the Board of Supervisors.

Budget: The contract amount of \$8,000 payable to Dr. Bach-Y-Rita is based on a rate of \$125 per hour for approximately 64 hours of psychiatric evaluation services to be performed throughout the one-year agreement (July 1, 1996 through June 30, 1997). Dr. Bach-Y-Rita would submit monthly invoices to the Sheriff's Department for hours worked during the previous month.

Comments:

1. Under the proposed agreement, both the City and Dr. Bach-Y-Rita would hold each other harmless from any liability, loss, expense, attorney's fees or claims or injury and damages arising out of the performance of the agreement. Mr. Rob Maerz of the City Attorney's Office advises that the City Attorney's Office recommends modifying the indemnification provision in the proposed agreement with Dr. Bach-Y-Rita. Therefore, the Sheriff's Department requests that this item be continued to the Government Efficiency and Labor Committee meeting of September 10, 1996 in order to allow the City Attorney's Office additional time to modify the indemnification provision in the proposed agreement with Dr. Bach-Y-Rita.
2. Sergeant Ridgeway advises that funds in the amount of \$8,000 are included in the Sheriff's Department's FY1996-97 budget for the subject agreement.
3. Attachment 2, as provided by the Sheriff's Department, explains why Dr. Bach-Y-Rita has been retained by the Sheriff's Department on a sole-source basis.

Recommendation: Continue this item as requested by the Sheriff's Department to the Government Efficiency and Labor Committee meeting of September 10, 1996.

City and County of San Francisco

OFFICE OF THE SHERIFF

ATTACHMENT 1

Page 1 of 3

Michael Hennessey
SHERIFF

415 - 554 - 7225

August 12, 1996
Ref #: FS-96-025Harvey Rose
Budget Analyst, Board of Supervisors
Fox Plaza
1390 Market Street, Room 1025
San Francisco, California 94102

Dear Mr. Rose:

Per your recent request, I am providing you with which employee classifications require psychological testing and the reasoning behind why the Sheriff's Department must complete psychological evaluations of applicants before offering permanent employment.

This hiring practice only adheres to sworn staff (deputies). The entrance class that must first pass psychological testing and evaluation is 8302, Deputy Sheriff I.

The Sheriff's Department does psychological evaluations as part of the screening process for Deputy Sheriff I. As a peace officer (not unlike San Francisco Police Department) the Sheriff must adhere to section 1031.(f) of the California Government Code. This section mandates that in order for a peace officer to be free of any emotional or mental condition that might adversely affect the exercise of power, the individual must first be evaluated by a licensed physician or psychologist (with a doctorate) with five years of postgraduate experience in the diagnosis and treatment of emotional and mental disorders (code attached).

Sincerely,

A handwritten signature in dark ink, appearing to read "Richard Ridgway".
Richard Ridgway, Sergeant
Financial Services Manager

West's
ANNOTATED
CALIFORNIA CODES

GOVERNMENT CODE
Sections 940 to 3999

*Official
California Government Code
Classification*

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GENERAL PROVISIONS

Div. 4

Library References

Counties ~~C~~64.Municipal Corporations ~~C~~184(2).States ~~C~~48.

WESTLAW Topic Nos. 104, 268, 360.

C.J.S. Counties §§ 99, 100.

C.J.S. Municipal Corporations § 571.

C.J.S. States §§ 61, 83, 91.

§ 1031. Public officers or employees having powers of peace officers; minimum standards

Each class of public officers or employees declared by law to be peace officers shall meet all of the following minimum standards:

(a) Be a citizen of the United States or a permanent resident alien who is eligible for and has applied for citizenship, except as provided in Section 2267 of the Vehicle Code.

(b) Be at least 18 years of age.

(c) Be fingerprinted for purposes of search of local, state, and national fingerprint files to disclose any criminal record.

(d) Be of good moral character, as determined by a thorough background investigation.

(e) Be a high school graduate, pass the General Education Development Test indicating high school graduation level, or have attained a two-year or four-year degree from a college or university accredited by the Western Association of Colleges and Universities; provided that this subdivision shall not apply to any public officer or employee who was employed, prior to the effective date of the amendment of this section made at the 1971 Regular Session of the Legislature, in any position declared by law prior to the effective date of such amendment to be peace officer positions.

(f) Be found to be free from any physical, emotional, or mental condition which might adversely affect the exercise of the powers of a peace officer. Physical condition shall be evaluated by a licensed physician and surgeon. Emotional and mental condition shall be evaluated by a licensed physician and surgeon or by a licensed psychologist who has a doctoral degree in psychology and at least five years of postgraduate experience in the diagnosis and treatment of emotional and mental disorders.

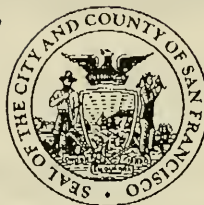
This section shall not be construed to preclude the adoption of additional or higher standards, including age.

(Added by Stats.1961, c. 2092, p. 4357, § 1. Amended by Stats.1971, c. 1504, p. 2974, § 1; Stats.1971, c. 1748, p. 3750, § 35; Stats.1972, c. 1062, p. 1972, § 1, eff. Aug. 17, 1972; Stats.1982, c. 943, p. 3428, § 1, eff. Sept. 13, 1982; Stats.1983, c. 188, § 1; Stats.1988, c. 610, § 1; Stats.1990, c. 1473 (A.B.3816), § 1.)

ATTACHMENT 2

City and County of San Francisco

OFFICE OF THE SHERIFF

Michael Hennessey
SHERIFF

415 - 554 - 7225

August 12, 1996
Ref #: PS-96-026Harvey Rose
Budget Analyst, Board of Supervisors
Fox Plaza
1390 Market Street, Room 1025
San Francisco, California 94102

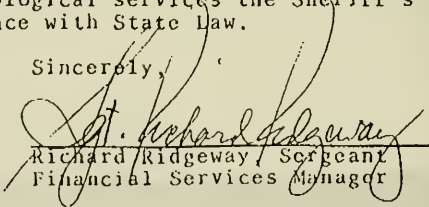
Dear Mr. Rose:

Per your recent inquiry, I am providing you with how we hired Dr. Bach-Y-Rita, MD, to provide psychological evaluation services, why we continue to renew this contract on a yearly basis, and the circumstances that have brought about the necessity of adding a mutual indemnification clause to Dr. Bach-Y-Rita's contract.

Dr. Bach-Y-Rita, MD was hired by the Sheriff's Department through a referral from another psychiatrist and approved by Civil Service to do Rule #15 reviews. Dr. Bach-Y-Rita, MD with his correctional and law enforcement expertise, extensive diagnostic and therapeutic experience, is extremely knowledgeable in his field and has developed a special understanding of what is necessary to be a competent Deputy Sheriff. This understanding has come with 8 years of experience consulting for our department and engendered a very high level of respect for his ability. Since this contractor claims minority status, is on a "as needed basis", with a contract only for \$8,000. and highly competent, it has been unnecessary to search for another provider.

Mutual indemnification became necessary when both the Sheriff's Department and Dr. Bach-Y-Rita became named in a recent discrimination lawsuit. It became evident that while Dr. Bach-Y-Rita is fully covered with malpractice insurance, it did not insure him against instances in which he was not guilty of malpractice in his psychiatric practice. While the discrimination suit was unfounded and was later dropped, it made the Sheriff's Department and Dr. Bach-Y-Rita aware of the need to add a mutual indemnification clause to his contract. Without this clause, Dr. Bach-Y-Rita or any other provider of psychological services could not contract the mandated service without significant financial risk. Without a provider of psychological services the Sheriff's Department is no longer in compliance with State Law.

Sincerely,


Richard Ridgeway, Sergeant
Financial Services Manager

Item 17 - File 172-96-26

Department: Airport

Item: Resolution exempting from the prevailing wage provision of Charter Section 7.204 a contract between the City and the San Francisco Conservation Corps (SFCC) to provide fire hazard reduction activities for the Airport.

Description: In November of 1995, the voters approved Proposition D, a Charter Amendment which authorizes the Board of Supervisors to exempt certain City contracts from the Charter's prevailing wage requirements. Under Proposition D, an exemption to the prevailing wage requirements permitted, with approval of the Board of Supervisors, for a contract under which the work is to be performed by a non-profit organization that provides job training and work experience for disadvantaged individuals, and that has a Board of Directors appointed by the Mayor.

The San Francisco Airports Commission wishes to enter into a contract with the SFCC for the SFCC to provide fire hazard reduction activities, such as brush and grass removal, on Airport property.

The proposed resolution finds that a contract between the Airports Commission and the SFCC, under which the SFCC, a non-profit organization, would remove brush and grass on Airport property, meets the Proposition D criteria specified above for purposes of exempting the contract from the Charter's prevailing wage requirements. As such, the proposed resolution would grant an exemption to the Charter's prevailing wage requirements for this contract.

Comments: 1. Mr. Russell Lee of the Airport advises that the amount to be paid to the SFCC under the proposed contract for FY 1996-97 is \$34,560. According to Mr. Lee, the \$34,560 is included in the Airport's FY 1996-97 budget. Mr. Lee notes that the wages paid by the SFCC to their staff are set by the SFCC.

2. Charter Section number 7.204, included in the proposed resolution is incorrect. The correct Charter Section number is A7.204. As such, the proposed resolution should be amended to delete reference to Charter Section 7.204 and substitute Charter Section A7.204.

Recommendations: 1. Amend the proposed resolution to delete reference to Charter Section 7.204 and substitute Charter Section A7.204.

BOARD OF SUPERVISORS
BUDGET ANALYST

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting

2 Approval of the proposed resolution, as amended, is a policy matter for the Board of Supervisors.

Item 18 - File 172-96-27

Departments: Department of Public Health (DPH)
Purchasing Department

Item: Resolution authorizing the Director of Public Health and the Purchaser to execute an agreement between the City and County of San Francisco and Allegiance Healthcare Corporation for the procurement and distribution of supplies at Department of Public Health locations.

Amount: Not to exceed \$25,200,000 - over a three-year period (see Comment No. 4 below)

Source of Funds: DPH Operating Funds included in the DPH's FY 1996-97 budget

Term of Agreement: Effective from the date when the Controller's Office certifies funding for the agreement through November 30, 1999 (three years)

Description: Currently, the DPH purchases supplies from several vendors. DPH staff stores and distributes the supplies its various health facilities. Item 2, File 25-96-11, of this report is a resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the DPH by a private contractor for a lower cost than similar work services performed by City and County employees.

The DPH is proposing to consolidate the various medical supplies vendors currently providing such supplies to the DPH under one single "prime vendor", which would also provide materials management services that are currently provided by DPH materials management personnel. Such services include procurement, warehousing and distributing the supplies to the various DPH health facilities.

The proposed subject resolution (File 172-96-27) would authorize the DPH and the Purchaser to execute an agreement between the City and the proposed designated prime vendor, the Allegiance Healthcare Corporation for Allegiance Healthcare to procure, warehouse and distribute all supplies to the various DPH facilities.

The DPH has selected Allegiance Healthcare Corporation, through the Purchasing Department's bid process, as the lowest responsible bidder, in an amount of \$6,937,100 annually to provide the necessary services. Mr. Greg Pustelnik of the Purchasing Department advises that four vendors, Professional Hospital Supply, General Medical, Owens and Minor and Allegiance Healthcare Corporation were pre-qualified to submit bids. However, according to Mr. Pustelnik, only two of the four vendors, Allegiance Healthcare Corporation and the firm of Owens and Minor, subsequently submitted formal bids. Mr. Pustelnik advises that the bid in the amount of \$10,973,061 submitted by Owens and Minor was considered non-responsive because Owens and Minor did not bid on all of the items contained in the Invitation for Bids.

Allegiance Healthcare Corporation is not an MBE or a WBE firm. However, Mr. Ed Lee Director of the Human Rights Commission (HRC) advises that Allegiance Healthcare Corporation has exceeded the HRC's requirements of 35 percent MBE/WBE participation using subcontractors. According to HRC, \$3,096,600 or 47.8 percent of the \$6,481,957 in medical supplies purchases will be purchased by Allegiance Healthcare Corporation's MBE/WBE subcontractors, (which is 44.6 percent of the overall annual contract bid amount of \$6,937,100, including \$455,143 in potential materials management services fees). Attached is a memo from Mr. Lee, which lists Allegiance Healthcare Corporation's subcontractors, the MBE/WBE status of these contractors and the amounts allocated to each subcontractor, which in total is \$3,096,600.

Comments:

1. On an annual basis, the DPH is currently purchasing approximately \$7,983,530 in inventory. However, the bids submitted by the four firms for the prime vendor contract were based on providing \$6,481,957 of the DPH's annual supply inventory, or \$1,501,573 less than the current total annual purchases made by DPH of \$7,983,530. Mr. Starr advises that the DPH accepted the bids based on the \$6,481,957 annual inventory amount because the bidders were unable to obtain three year price guarantees from medical supply distributors for various items. Therefore, the potential prime vendor contractors did not believe they could offer DPH guaranteed prices for approximately \$1,501,573 of the DPH annual inventory at this time. As such, the DPH only required the bidders to submit bids based on providing \$6,481,957 of annual purchases. Allegiance Healthcare Corporation's bid of \$6,937,100, as previously noted, includes the \$6,481,957 in annual

supplies purchases as well as \$455,143 in potential materials management services fees. Mr. Starr advises that the DPH will solicit future bids to purchase the \$1,501,573 in annual inventory which has not been included in the base contract amount with Allegiance Healthcare Corporation.

2. According to Mr. Starr, the \$1,501,573 in additional annual inventory may be purchased from suppliers other than the prime vendor, Allegiance Healthcare Corporation. Accordingly, Allegiance Healthcare Corporation will then be paid a five percent (dock to dock) to seven percent (dock to point-of-use) "distribution fee" to receive, warehouse, and distribute this \$1,501,573 in additional inventory to DPH facilities, or approximately \$105,617. Therefore, if the \$1,501,573 in additional annual inventory is purchased from other suppliers, the total estimated cost of Allegiance Healthcare Corporation's services may be \$7,042,717 (\$6,937,100 for the base contract plus \$105,617 for distribution fees).

3. The estimated Contract Services Cost, under the resolution concurring with the Controller's certification regarding these contractual services (Item 2, File 25-96-11 of this report), is \$8,544,290, including \$6,937,100 for the prime vendor contract, \$1501,573 to purchase supplies which may be outside of the prime vendor contract amount, and \$105,617 for the prime vendor's distribution fees on the \$1,501,573, if such supplies are purchased outside of the prime vendor contract.

4. Mr. Starr advises that the not to exceed amount of \$25,200,000 for the three-year Allegiance Healthcare agreement was calculated based on the following:

Current cost of annual inventory purchased by DPH times three years (\$7,983,530 x three years)	\$23,950,590
Estimated Cost of new products (\$399,177 x three years)	<u>1,197,531</u>
Total	\$25,148,121

Mr. Starr states that the \$23,950,590 is based on the possibility that Allegiance Healthcare may provide the additional \$1,501,573 in annual inventory that is scheduled to go out to bid. Additionally, Mr. Starr advises that DPH annually purchases new products that are not in its existing inventory. According to Mr. Starr, the cost of such products

amounts to approximately five percent of the cost of those products already included in its inventory. The \$399,177 for the Cost of New Products noted above represents five percent of the \$7,983,530 in current annual costs for inventory purchased by DPH.

5. Mr. Starr states that as part of the bid specifications, the DPH required that the prime vendor purchase the existing San Francisco General Hospital (SFGH) supply inventory for the same acquisition cost that was paid by the SFGH. Mr. Starr further states that although a portion of the existing inventory is technologically outdated and of no use to DPH, the prime vendor, Allegiance Healthcare Corporation, will be able to resell the inventory to other health care providers. According to Mr. Madden of the Controller's Office, DPH had estimated that the revenues from the value of this inventory, of approximately \$1.3 million, was anticipated to have been received by the City as a one-time revenue source in Fiscal Year 1995-96, based on the expectation that the prime vendor contract was to have been awarded in Fiscal Year 1995-96. Mr. Madden further advised that because the prime vendor contract was not awarded by the end of Fiscal Year 1995-96, the Controller required the DPH to reduce expenditures in order to make up for the \$1.3 million shortfall. Mr. Madden states that if the prime vendor contract, together with the Controller's certification, is approved by the Board of Supervisors at this time, then the \$1.3 million would be received by the City in Fiscal Year 1996-97 and would be allocated to the City's General Fund Reserve as additional unanticipated revenues for Fiscal Year 1996-97.

Recommendation:

Approval of the proposed subject resolution to authorize an agreement between DPH and Allegiance Healthcare is a policy matter for the Board of Supervisors and is contingent on approval of another proposed resolution in this report (Item 2, File 25-96-11), concurring with the Controller's certification that the subject contractual services can be provided more economically by a private contractor than by in-house civil service staff.

City and County of San Francisco

Human Rights Commission



Contract Compliance
 Dispute Resolution/Fair Housing
 Minority/Women/Local Business Enterprise
 Lesbian Gay Bisexual Transgender & HIV Discrimination

Edwin M. Lee
 Director

MEMORANDUM

TO: Michelle Ruggels
 Budget Analyst

FROM: Ed Lee, HRC Director *EmL*

DATE: August 12, 1996

RE: Summary of MBE/WBE Participation in the Prime Vendor
 Distribution Program.

=====

Listed below is the list of Certified MBE/WBE manufacturers and suppliers that are in the DPH Prime Vendor Distribution Program. This is the projected annualized dollars for FY 96/97. The efforts to locate and help stimulate Certified MBE/WBE's have yielded a significant increase in their participation in the DPH. We are confident that the momentum will continue and will yield even more participation. As stated before, this participation level exceeds the 35% level described in the Contract. As the Director of the Human Rights Commission, I have been a very active participant in this process.

Certified MBE/WBE
Vendor

Annualized Volumes (Dollars in the
Prime Vendor Distribution Program

Allied Medical	\$ 48,500
Broadline Medical	\$ 2,750,000
Lucy Sales	\$ 120,150
Ramsell	\$ 172,950
Santora Sales	\$ 5,000

Total	\$ 3,096,600
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/mc



Item 19 - File 156-96-1

Department: Private Industry Council, Inc. (PIC)

Item: Resolution approving the San Francisco 1996 Refugee County Plan and authorizing the Private Industry Council of San Francisco, Inc. (PIC) to apply for approximately \$1,162,100 in grant funds and to accept and expend those funds in accordance with the 1996 Refugee County Plan.

Grant Amount: Approximately \$1,162,100

Grant Period: October 1, 1996 through September 30, 1997 (one year)

Source of Funds: Federal Office of Refugee Resettlement

Description: The San Francisco 1996 Refugee County Plan describes the services that the City (through the PIC) proposes to offer to refugees in San Francisco from October 1, 1996 through September 30, 1997 in compliance with State funding requirements. The services include employment services, Vocational English as a Second Language (VESL) instruction, case management, and support services which consist of child care, transportation, tutoring and referrals.

All of the funds for the above-mentioned services are provided by the Federal Office of Refugee Resettlement and are allocated to the City through the State Department of Social Services. The PIC, a non-profit organization, administers these funds on behalf of the City.

The City's proposed services to refugees are comprised of two components: the Refugee Cash Assistance Employment Services System and the Voluntary Aid to Families with Dependent Children Refugee Services Program.

The Refugee Cash Assistance Employment Services System component provides employment services primarily to refugees who receive cash assistance or General Assistance (GA) and who have resided in the United States for 12 months or less.

The Voluntary Aid to Families with Dependent Children Refugee Services Program component provides employment and training services to refugees who receive AFDC and have resided in the United States for 12 months or less.

Services are also provided to those refugees who have been in the United States for more than 12 months and less than 60

months, when either program component has additional capacity and available funds. Non-profit employment and training providers are selected by the PIC to deliver services to refugees in both components of the program.

Budget:

A summary breakdown of budget expenditures, as provided by the PIC, is as follows:

<u>Non-Profit Service Provision</u>	
Employment Services	\$626,389
Vocational English as a	
Second Language (VESL)	127,700
Case Management	125,000
Support Services	<u>108,708</u>
Subtotal	\$987,797
<u>PIC Administration</u> (15 percent)	<u>174,303</u>
Total Grant Amount	\$1,162,100

Comments:

1. According to Mr. Greg Marutani of the PIC, in July 1996 the PIC issued a Request for Proposal (RFP) to non-profit employment and training service providers for the delivery of the City's proposed refugee services. Mr. Marutani advises that the PIC received 12 proposals. However, Mr. Marutani reports that the actual number of contracts to be awarded has not yet been determined. Therefore, the resolution should be amended to reserve the amount of \$987,797, pending the selection of the non-profit service providers and the submission of the cost details by the PIC.
2. Mr. Marutani advises that, as of the writing of this report, the PIC was unable to provide the budget details for the PIC Administration in the amount of \$174,303. Therefore, the resolution should be amended to reserve the amount of \$174,303, pending the submission of the cost details for the PIC Administration by the PIC. The amount of \$174,303 for PIC Administration is 15 percent of the total proposed grant. For the previous year, from October 1, 1995 through September 30, 1996, the PIC Administration costs were \$93,887 or 14.5 percent of the total grant of \$647,343.
3. According to the San Francisco 1996 Refugee County Plan, it is estimated that a total of 569 refugees will receive employment and training services under the Refugee Cash Assistance Employment Services System and the Voluntary Aid to Families with Dependent Children Refugee Services Program as compared to 347 refugees in 1995. An estimated 371 of these refugees are expected to be placed into full-time

and part-time employment as compared to 276 refugees in 1995.

4. The proposed maximum level of funding of \$1,162,100, from October 1, 1996 through September 30, 1997, for the Refugee Plan is \$514,757 or 80 percent more than the current level of funding of \$647,343. Mr. Marutani reports that the increase from last year is a result of a new State allocation formula that is based on the number of refugees who are assigned to reside in a particular county by the Federal Office of Refugee Resettlement rather than based on the number of refugees who are receiving public assistance in each county. According to Mr. Marutani, family reunification is the primary factor used by the Federal Office of Refugee Resettlement to assign refugees to reside in a particular county.

5. Attached is the Grant Application Information Form, as prepared by the PIC, for the proposed grant project.

6. The PIC has completed a Disability Access Checklist, which is on file with the Clerk of the Board.

- Recommendation:**
1. Amend the proposed resolution to reserve the total grant amount of \$1,162,100, consisting of \$987,797 for the non-profit service provision and \$174,303 for the PIC Administration, pending a) the selection of non-profit service providers and the submission of the cost details, and b) the submission of the cost details for the PIC Administration.
 2. Approve the proposed resolution as amended.

ATTACHMENT

SUMMARY OF GRANT REQUEST

File No.: (Refugee Funds - RESS & TA)

Grantor: Refugee Program Branch/DSS

Division: Private Industry Council of SF, Inc.

Contact Person: Ernie Lynch

Section: N/A

Address: 744 'P' Street

Contact Person: Greg Marutani

Sacramento, CA 95814

Telephone: 931-7460

Amount Requested: \$1,162,100

Application Deadline: N/A

Term: From: Oct. 1, 1996 to: Sept. 31, 1997

Notification Expected: N/A

Board of Supervisors: Government Efficiency -

Full Board -

I. Item Description:

Request to accept and expend a new allocation grant in the amount of \$1,162,100 from the period of October 1, 1996 to September 30, 1997 to provide employment and training and acculturation services.

II. Summary:

To provide employment and training services to refugees receiving public assistance.

III. Outcomes/Objectives:

Training of refugees on cash assistance for employment.

IV. Effects of Reduction or Termination of These Funds:

Reduce services for refugees and increase the financial burden for the City and County of San Francisco.

V. Financial Information:

	Col. A Two Years Ago	Col. B Past Year	Col. C Proposed	Col. D Change	Req. Match	Approved by
Grant Amount			\$1,162,100		NA	
Personnel			\$174,303		NA	
*Contract Svcs.			987,797		NA	
Mat. & Supp.		\$0	\$0	\$0	NA	
Facilities/Space		\$0	\$0	\$0	NA	
Other		\$0	\$0	\$0	NA	
Indirect Costs		\$0	\$0	\$0	NA	

VI. Data Processing: N/A

VII. Personnel: N/A

FT/CSC N/A

PT/CSC N/A

Source(s) of non-grant funding for salaries of CSC employees working part-time on this grant:

N/A

Will grant funded employees be retained after this grant terminates? If so, how?

N/A

VIII. Contractual Services: Open Bid X Sole Source

Post-it* Fax Note	7671	Date	08-14	# of pages	1
To	MICHELLE	From	GRG		
Co./Dept	BUDGET ANALYST		PIC of SF		
Phone #	255-594-7672	Phone #	931-7460		
Fax #	252-0461	Fax #	931-7690		

August 15, 1996

Item 20 - File 39-96-1

Item: Hearing transmitting a copy of the report issued by the 1995-96 Civil Grand Jury entitled "Information Technology Services in San Francisco Government".

Description: This item is a hearing to consider transmitting the above-mentioned final report of the 1995-96 Civil Grand Jury of the City and County of San Francisco. The report would be transmitted from the Board of Supervisors to the Presiding Judge of the Superior Court.

The 1995-96 Civil Grand Jury reviewed the utilization and management of information technology in the City and County of San Francisco. The review includes the functions and responsibilities of the City Controller, Information Services Division (ISD), Chief Administrative Officer (CAO), Department of Electricity and Telecommunications (DET), and the Electronic Information Processing Steering Committee (EIPSC) in guiding strategic direction and implementing information technology systems within the City. The Civil Grand Jury had 15 findings related to the lack of centralized functions, planning and accountability for information technology planning, and made the following 14 recommendations:

- 1) A new position of Chief Information Officer (CIO) should be created. This executive level position should be appointed by the Mayor and confirmed by a majority vote of the Board of Supervisors. The CIO should be responsible for strategic planning and leadership for information technology in the City.
- 2) A new Department of Information Technology (DIT) should be created, and the CIO should serve as Department Head. The functions currently performed by the Department of Electricity and Telecommunications, EIPSC, and the Information Services Division should be transferred to the DIT.
- 3) The DIT's initial project should be an information management audit of all city departments to assess information technology needs for citywide planning and budget purposes.
- 4) The Controller should develop a city-wide inventory of all owned and leased computer assets, and update such inventory annually. The inventory should be incorporated as part of the annual budget process.

BOARD OF SUPERVISORS
BUDGET ANALYST

- 5) The Controller should standardize the accounting methods for procurement, and nomenclature for tracking computer assets.
- 6) The City Purchaser, in conjunction with EIPSC, should require a training set-aside component as part of the computer procurement bidding process.
- 7) ISD should use standard service-level agreements to ensure customer satisfaction and increased accountability.
- 8) ISD should promote improved Quality Assurance standards within ISD and citywide.
- 9) ISD should develop strategies to assist smaller city departments in the acquisition and use of technology, including conducting information technology needs assessments for smaller departments.
- 10) The Department of Human Resources should monitor the first-year implementation of the new information systems reclassification series, and report to the Mayor and the Board of Supervisors on its progress by October 1, 1997.
- 11) The Department of Human Resources should develop a citywide tracking and accounting system for personnel hours spent on projects by classified information systems personnel.
- 12) The Department of Human Resources should develop procedures for the sharing of classified information systems personnel among smaller city departments.
- 13) The City and County should make optimal use of e-mail and the Internet to foster interactive communications between the citizens and their government.
- 14) The City and County, in consultation with the Sunshine Ordinance Task Force, should investigate the retailing of city-owned data products and services in support of the General Fund.

Comments:

1. The Civil Grand Jury report did not include cost estimates or savings estimates related to implementation of its recommendations.

2. The Presiding Judge of the Superior Court empanels the Civil Grand Jury. State law requires the Board of Supervisors to submit comments on the Civil Grand Jury's reports to the Presiding Judge. Therefore, a resolution to transmit the Civil Grand Jury report and the comments of the Board of Supervisors to the Presiding Judge of the Superior Court should be prepared in and reported out of the Government Efficiency and Labor Committee.

3. The Clerk of the Board requested that the Controller, the Chief Administrative Officer, the Directors of the Department of Human Resources and the Department of Electricity and Telecommunication, and the President of the Private Industry Council, submit written reports on each of the recommendations found in the Civil Grand Jury's report to the Board of Supervisors by August 15, 1996.

4. Pursuant to the new City Charter, effective July 1, 1996 the Chief Administrative Officer, the Controller's Information Services Department (ISD), and the Department of Electricity and Telecommunications (DET), no longer exist. The new Charter created the Department of Telecommunications and Information Services, that includes the functions formerly performed by the Controller's ISD and the DET, and the Administrative Services Department, that incorporates the functions of the Chief Administrative Officer.

Recommendation: Prepare in and report out a resolution for the Board of Supervisors to transmit the Civil Grand Jury report and the Board of Supervisors comments to the Presiding Judge of the Superior Court.

Item 21 - File 39-96-2

Department: Police Department
Medical Examiner/Coroner
Civil Grand Jury

Item: Hearing to consider the 1995-96 Civil Grand Jury report pertaining to serious deficiencies in the Crime Laboratory of the Police Department and the Toxicology Laboratory of the Medical Examiner.

Description: This item is a hearing to consider transmitting the final report, of the 1995-96 Civil Grand Jury of the City and County of San Francisco. The report would be transmitted from the Board of Supervisors to the Presiding Judge of the Superior Court.

The 1995-96 Civil Grand Jury investigated the Crime Laboratory of the San Francisco Police Department (SFPD) and the Toxicology Laboratory of the City's Medical Examiner's Office to determine whether these laboratories are providing services which are accurate, valid, and unbiased, and which are performed in a timely manner within the applicable government code sections. The investigation evaluated the SFPD Crime Laboratory and the Medical Examiner's Toxicology Laboratory in terms of (1) Laboratory Space, (2) Laboratory Case Load, (3) Laboratory Equipment, and (4) Laboratory Management and Operation. The Civil Grand Jury had nine findings related to the improvement of these four areas.

The Grand Jury's recommendations are summarized as follows:

Police Department - Crime Laboratory

- 1) Secure financial support to acquire the necessary staffing levels and standard crime laboratory equipment, including the equipment prescribed in the Standard Operating Procedures (SOP) manual to be on par with other crime laboratories.
- 2) Implement the DNA genetic testing program as soon as possible.
- 3) Obtain American Society of Crime Laboratory Directors Lab accreditation which will establish acceptable standards, quality assurance, integrity, security, and credibility for the

evidence produced in serving the citizens and the criminal justice system.

In order for the SFPD Crime Laboratory to achieve the above recommended objectives, management of the Crime Laboratory must be proactive in appealing to the Chief of Police, to the Mayor, and to the Board of Supervisors for desperately needed space and funds. The SFPD Crime Laboratory must be given a much higher priority within the Police Department.

4) The SFPD Crime Laboratory should have a mission statement which includes its statement of purpose, goals and objectives for moving into the 21st Century.

This statement of purpose should be similar to the mission statement established by the Santa Clara County District Attorney's Crime Laboratory, and might well include the following points:

- Provide the criminal justice system with quality laboratory services through accurate and valid testing in a timely manner.
- Promote a working relationship with the agencies of the criminal justice system in the City through improved communication and training.
- Establish a state-of-the-art full-service laboratory through quality assurance programs, modern instrumentation, and automated analysis procedures.

Medical Examiner - Toxicology Laboratory

5) Seek funds to replace those instruments that have passed their life expectancy and update necessary equipment.

6) Designate space for future expansion.

7) Restore the position of Toxicologist

Overall Recommendations

8) If there is no continued significant improvement consistent with the above recommendations by June 1997, serious consideration must be given to combining the SFPD Crime Laboratory and the Medical Examiner's Toxicology Laboratory under the aegis of another City department where a Forensic Laboratory Director would have budgetary

autonomy to oversee needs and administration of the combined laboratory. The combined laboratory would provide service and results that are accurate, reliable, valid and unbiased, and which can stand up to review by other qualified laboratories in the nation and scrutiny by the courts.

9) If all the above recommendations are not acceptable, the Civil Grand Jury recommends that a Request for Proposal (RFP) be developed and let out for bid to qualified professional laboratories to perform all testing on a contractual basis for a limited duration of time.

Comments:

1. The Civil Grand Jury report did not include cost estimates or savings estimates related to implementation of its recommendations, with the exception of Recommendation No. 2, listed above. The purpose of Recommendation No. 2 is to implement the DNA genetic testing program within the SFPD's Crime Laboratory as soon as possible.

The Civil Grand Jury report states that currently the SFPD sends its DNA samples to a private laboratory for testing, at a cost of \$3,000 per case, and an additional \$150 per hour for the private laboratory to present these findings in court. The Civil Grand Jury report states that SFPD staff have advised the Civil Grand Jury that if SFPD personnel could conduct the DNA analysis in-house, the cost per case would be reduced to \$200, including the cost of court testimony. The Civil Grand Jury report states that the amount of \$200 does not include cost estimates for additional personnel, new equipment, or training.

2. The Presiding Judge of the Superior Court empanels the Civil Grand Jury. State law requires the Board of Supervisors to submit comments on the Civil Grand Jury's reports to the Presiding Judge. Therefore, a resolution to transmit the Civil Grand Jury report and the comments of the Board of Supervisors to the Presiding Judge of the Superior Court should be prepared in and reported out of the Government Efficiency and Labor Committee.

3. The Clerk of the Board requested that the Mayor, the Chief Administrative Officer, the Chief of Police, the District Attorney, and the Chief Medical Examiner submit written reports on each of the recommendations found in the Civil Grand Jury's report to the Board of Supervisors by August 15, 1996.

Memo to Government Efficiency and Labor Committee
August 20, 1996 Meeting of Government Efficiency and Labor Committee

Recommendation: Prepare in and report out a resolution for the Board of Supervisors to transmit the Civil Grand Jury report and the Board of Supervisors comments to the Presiding Judge of the Superior Court.

Item 22 - File 51-96-1.1

- Item:** This item is a hearing transmitting a claim of one City and County employee for reimbursement for the cost of personal property, which was damaged or stolen in the line of duty.
- Description:** Section 10.25-1 of the Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property that has been damaged or stolen in the line of duty without the fault of the City employee. The Controller recommends reimbursement after reviewing the claim and after reviewing the Department Head's certification that the damage or theft occurred in the line of duty and that the amount certified for payment in the amount of \$1,433.14 is fair and reasonable.
- The subject claim of the one employee in the Department of Parking and Traffic (DPT) was first reviewed by the Controller's Office in May of 1996 (File 51-96-1). The Controller's Office requested that the DPT provide additional information regarding this claim, which pertains to damage of a personal vehicle.
- Comments:**
1. The Controller has certified that funds are available for this employee reimbursement from the DPT's FY1996-97 operating budget.
 2. As shown in the Attachment, the Controller has recommended a reimbursement totaling \$1,433.14 for this subject claim.
- Recommendation:** Prepare in and report a resolution authorizing payment of the subject claim.

REIMBURSEMENT FOR DAMAGED OR STOLEN
PERSONAL PROPERTY OF CITY EMPLOYEESDate: August 13, 1996
File No. 051-96-001.1

Department	Amount	Controller's	
<u>Claimant</u>	<u>Claimed</u>	<u>Recommended</u>	<u>Comments</u>
<u>Department of Parking & Traffic</u>			
Daryl Robinson	1,433.14	1,433.14	Approve. Personal auto of employee damaged by CCSF vehicle.
	<hr/> 1,433.14	<hr/> 1,433.14	

Item 23 - File 51-96-2

- Item:** This item is a hearing transmitting claims of City and County employees for reimbursement for the cost of personal property, which was damaged or stolen in the line of duty.
- Description:** Section 10.25-1 of the Administrative Code authorizes the Controller to provide reimbursement to City employees to recover part or all of the costs of replacing or repairing equipment or property that has been damaged or stolen in the line of duty without the fault of the City employee. The Controller recommends reimbursement after reviewing the claim and after reviewing the Department Head's certification that the damage or theft occurred in the line of duty and that the amount certified for payment is fair and reasonable.
- Of the 10 subject employee claims submitted, the Controller's Office has denied two claims and has recommended that five claims be paid in full and three claims be partially paid.
- Comments:**
1. The Controller has certified that funds are available for employee reimbursements from the respective Department's FY1996-97 operating budgets.
 2. As shown in the Attachment, the Controller has recommended reimbursements totaling \$1,685.98 to eight City employees.
- Recommendation:** Prepare in and report a resolution authorizing payment of the subject claims.

REIMBURSEMENT FOR DAMAGED OR STOLEN
PERSONAL PROPERTY OF CITY EMPLOYEES

Date: August 13, 1996
File No. 051-96-002

Department <u>Claimant</u>	Amount <u>Claimed</u>	Controller's <u>Recommended</u>	<u>Comments</u>
<u>Public Works</u>			
Maurice M. Hayes	537.53	500.00	Approve. Auto damaged by CCSF Vehicle. Limit claim to amount uncovered by employee insurance deductible.
John C. Lee	443.35	100.00	Approve. Auto damaged by CCSF Vehicle. Limit claim to amount uncovered by employee insurance deductible.
<u>Assessor</u>			
Alice M. Cheung	8.00	8.00	Approve. Employee's clothing damaged through no fault of employee.
<u>Public Health</u>			
Anene Ugbata	15.50	15.50	Approve. Damage to watchband occurred in performance of employee duties through no fault of employee.
<u>District Attorney</u>			
Colleen McLaughlin	135.28	135.28	Approve. Windshield broken while employee on CCSF assignment.
<u>Public Works</u>			
Roxanne Murphy	334.20	334.20	Approve. Employee tools stolen while on assignment through no fault of employee.
<u>Parking & Traffic</u>			
Brian Yu	93.00	93.00	Approve. Eyeglass lens damaged while on assignment through no fault of employee.
<u>Public Works</u>			
James Salerno	1,155.26	500.00	Approve. Employee vehicle stolen while on CCSF assignment. Limit claim amount consistent with employee decision to not insure automobile.
<u>Public Health</u>			
Miu Ling Lam	920.00	0.00	Disapprove. Damage & theft were not result of CCSF assignment; employee failed to use prudent judgement in handling of cash.
Bill Pearse	50.00	0.00	Disapprove. There is no indication that damaged item is essential to performance of employee duties.
	<u>3,692.12</u>	<u>1,685.98</u>	

Item 24 - File 148-96-3.1

Department: Department of Public Works (DPW)

Item: Hearing requesting the release of reserved funds in the amount of \$400,000 in Federal Highway Administration (FHWA) grant funds for the Mission Street Lighting Project

Amount: \$400,000

Source of Funds: Federal Highway Administration (FHWA) funds

Description: In June of 1996, the Board of Supervisors approved the Mission Street Lighting Project, for a total project cost of \$500,000. The purpose of the Mission Street Lighting Project is to purchase and install 80 pedestrian level street lamps on Mission Street between 16th Street and 24th Street to (1) create a safer environment for pedestrians and transit users on Mission Street, by providing greater illumination, and (2) enhance the aesthetic image of Mission Street's retail area, in order to increase pedestrian traffic and transit ridership.

In order to fund the total project amount of \$500,000, the Board of Supervisors (1) authorized the Department of Public Works (DPW) to apply for, accept and expend \$450,000 in FHWA grant funds (File 148-96-3), and reserved \$400,000, the subject of the proposed legislation, and (2) appropriated and reserved \$50,000 in Gas Tax monies (File 101-95-87). The \$400,000 in FHWA grant funds and the \$50,000 in Gas Tax monies were placed on reserve pending the selection of the construction contractor, the MBE/WBE status of the contractor, contract cost details, and submission of budget details for DPW's construction management services.

DPW is now requesting the release of the \$400,000 in previously reserved FHWA grant funds for the Mission Street Lighting Project. The Budget Committee previously approved the release of the \$50,000 in Gas Tax monies from reserve at its meeting of August 7, 1996. The budget, including the subject request for \$400,000 in reserved funds for the Mission Street Lighting Project, is as follows:

Memo to Government Efficiency & Labor Committee
August 20, 1996 Government Efficiency & Labor Committee Meeting

Construction Contractor - Kingston Constructors Inc. (See Comment No. 1)	\$535,640
Construction Contingency (10 percent)	53,564
DPW Construction Management Services (See Comment No. 3)	35,979
Total	\$625,183*

* The amount of \$625,183 is \$125,183 greater than the originally estimated amount of \$500,000 to complete the Mission Street Lighting Project. Ms. Tina Olson of the DPW advises that the DPW has identified additional sources of funding for the balance of \$125,183 required to complete the project (See Comment No. 4). The amount of \$400,000, which is the subject of the proposed release of reserved funds, would be used to offset the total project cost of \$625,183.

Comments:

1. Ms. Olson advises that on July 10, 1996, the DPW awarded the construction contract to the second lowest bidder, Kingston Constructors Inc., for an amount of \$535,640. Ms. Olson advises that although L.C. Electric was the lowest bidder, for an amount of \$517,700, L.C. Electric was disqualified by the Human Rights Commission (HRC) because L.C. Electric did not meet the 10 percent Disadvantaged Business Enterprise (DBE) participation requirement established by Caltrans. Ms. Olson advises that because this project is receiving FHWA grant funds, Caltrans must approve the contract award, and the contractor must meet the 10 percent DBE participation requirement established by Caltrans, either by being a Caltrans certified DBE firm, or by subcontracting with Caltrans certified DBE firms.

2. Ms. Olson advises that Kingston Constructors Inc. is not a DBE/MBE/WBE firm. However, Ms. Olson advises that Kingston Constructors Inc. is subcontracting \$182,060, or approximately 34 percent of its \$535,640 contract to a DBE and a MBE firm as follows:

<u>MBE Firm (4.9%)</u>	
Marinship Construction	\$26,060
<u>DBE Firm (29.1%)</u>	
Gilder Sleeve Electric, Inc.	156,000
Total Subcontractors	\$182,060

3. The amount of \$35,979 for the DPW's construction management services will be expended as follows:

<u>Position</u>	<u>Hourly Rate</u>	<u>Total Hours</u>	<u>Total Amount</u>
5275-Sr. Landscape Architect	\$70.00	70	\$4,900
5275-Landscape Architect	60.15	100	6,015
6318-Construction Inspector	60.15	200	12,030
5210-Sr. Civil Engineer	80.55	120	9,666
1314-Public Relations Officer	52.90	38	2,010
1372-Sr. Clerk Typist	<u>33.94</u>	<u>40</u>	<u>1,358</u>
Total		568	\$35,979

4. Ms. Olson advises that although the DPW originally estimated that the entire Mission Street Lighting Project would cost approximately \$500,000, the DPW has since revised the cost of the project to \$625,183, or \$125,183 greater than the original estimate of \$500,000, based on the awarded amount of the construction contract. The Attachment, provided by the DPW, describes each of the funding sources that will be used for the balance of \$125,183 beyond the original project amount of \$500,000.

Recommendation: Approve the proposed release of reserved funds.

City and County of San Francisco

Department of Public Works
Finance and Budget Division

August 2, 1996

Ms. Michelle Ruggles
Budget Analyst Office
1390 Market St, Suite 1025
San Francisco, CA 94102

Dear Michelle:

The Department of Public Works (DPW) has identified the following \$125,183 in additional funding sources to cover the funding shortfall on the Mission Street Lighting Project:

- \$13,622 in savings from the 1972 Street Lighting Bond fund.
- \$9,585 in savings from the original planning grant that instigated this project
- \$101,976 in Gas Tax savings from various street resurfacing projects that we are in the process of closing.

As you know, we have reduced our construction management budget by \$15,917, from \$51,896 to \$35,979. To reduce it further would severely limit our ability to properly monitor this project.

To use the Gas Tax savings, we will need to submit a supplemental appropriation request to the Mayor's Office and the Board of Supervisors which will take a couple of months to process. Because the other two funding sources were appropriated for lighting projects, they do not require approvals.

To expedite this project, we will originally use Street Lighting funds budgeted for other projects that can be transferred directly to this project. As soon as we receive approval for the Gas Tax monies, we will transfer those Street Lighting funds back to their original projects.

In summary, I believe we have found a means to fund this project while maintaining our original construction schedule. If you have any questions, please call me at 558-4033.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tina Olson".

Tina Olson

Transportation Finance Analyst

Item 25- File 146-96-6.2

Department: Department of Public Health (DPH)
Community Substance Abuse Services (CSAS)

Item: Request to release reserved funds in the amount of \$85,740 for the DPH's Community Substance Abuse Services Target Cities Project, consisting of \$81,240 for the expansion of treatment services, and \$4,500 for a Sign Language Interpreter.

Grant Amount: \$85,740

Source of Funds: Federal Department of Health and Human Services (DHHS), Center for Substance Abuse Treatment (CSAT) through the State of California, Department of Alcohol and Drug Programs.

Project: Federal Target Cities Project

Description: The Community Substance Abuse Services (CSAS) Target Cities Project is a project designed to develop an effective and comprehensive substance abuse service system in San Francisco by creating a centralized substance abuse treatment site that will provide both services and referrals for substance abusers. The Target Cities Project is being funded by Federal CSAT grant monies in the amount of approximately \$11 million, to be distributed to the Department of Public Health (DPH) over a five-year period from September 1, 1993 through August 31, 1998.

The Board of Supervisors previously approved a resolution authorizing the DPH to accept and expend an augmentation grant of up to \$1,262,373 for the Target Cities Project in order to increase its original allocation of approximately \$2.5 million for FY 1995-96 (File 146-96-6). Of the augmentation grant of \$1,262,373, \$129,740 was placed on reserve pending the selection of contractors/consultants, the MBE/WBE status of the contractors/consultants and the submission of budget details. In July, 1996, the Board of Supervisors approved the release of \$44,000 from reserve, leaving a balance of \$85,740 on reserve (File 146-96-6.1).

DPH is now requesting the release of the balance of the reserved funds, or \$85,740, to expand the existing level of treatment services and to provide sign language interpretation services, which would be expended as follows:

Treatment Service Expansion (\$81,240)

In April of 1996, the DPH issued a Request for Proposals (RFP) in order to select a contractor to provide substance abuse treatment services for individuals with co-existing mental and physical disorders. The DPH received four proposals, and selected Baker Places, Inc., a non-profit agency, for an amount of \$100,000, of which \$81,240 would be paid from the proposed release of reserved funds. The balance of \$18,760 was included in the FY 1995-96 budget for the Target Cities Project, which was approved by the Board of Supervisors during the FY 1995-96 budget process.

The budget for Baker Places, Inc., in the amount of \$100,000, including the subject \$81,240, would be expended as follows:

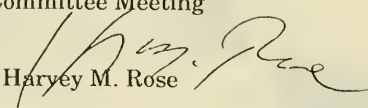
Personnel (2.0 FTE)	\$54,219	
Fringe Benefits	<u>13,013</u>	
Total Personnel		\$67,232
Operating Expenses (including rent for 12 months and utilities)		<u>22,466</u>
Subtotal Direct Costs		\$89,698
Administrative Overhead (8.7 percent of Direct Costs)		<u>10,300</u>
Total		\$100,000

Sign Language Interpretation Services (\$4,500)

The Target Cities Project has set-aside an amount of \$4,500 to be used on an as-needed-basis for sign language interpretation services at Target Cities Project events, such as conferences, and for the development of Target Cities materials in alternative formats, such as Braille. Mr. Duane Einhorn of the Target Cities Project advises that the Target Cities Project intends to use Bay Area Communication Access, a vendor that has been approved by the Purchasing Department to provide these services. Bay Area Communication Access is not a MBE/WBE firm. Attached is an estimated budget for the \$4,500 in Sign Language Interpretation Services, and the hourly rates of Bay Area Communication Access, as provided by the DPH.

Recommendation: Approve the proposed release of reserved funds.

Memo to Government Efficiency and Labor Committee
August 20, 1996 Government Efficiency and Labor Committee Meeting


Harvey M. Rose

cc: Supervisor Ammiano
Supervisor Yaki
Supervisor Katz
President Shelley
Supervisor Alioto
Supervisor Bierman
Supervisor Brown
Supervisor Hsieh
Supervisor Kaufman
Supervisor Leal
Supervisor Teng
Clerk of the Board
Controller
Margaret Kisliuk
Paul Horcher
Ted Lakey

Attachment



Community Substance Abuse Services
San Francisco Target Cities Project

MEMORANDUM

DATE: August 14, 1996

TO: Michelle Ruggles, Budget Analyst

FROM: Duane Einhorn *DE*

RE: Sign Language Interpretation Services

As stated in our telephone conversation of today's date, San Francisco Target Cities Project intends to utilize Bay Area Communication Access on an as needed basis for sign language interpretation services. Bay Area Communication Access is located at 870 Market Street, Suite 330, San Francisco, CA 94102

According to the City Purchasing Office and according to Bay Area Communication Access personnel, numerous City and County of San Francisco departments utilize this firm's services. These include the City Library, Department of Social Services, SFGH, Department of Parks and Recreation and the City Attorney. This firm does not qualify for MBE/WBE status, but as stated, it is used by a variety of City departments.

This firm's hourly rate is as follows: for two hours or more, the hourly rate is \$45.00; and, for less than two hours, the rate is \$60.00 for the first hour and \$45.00 per subsequent half hour.

Projected spending is as follows:

• 3 conferences (8 hours x 3 = 24 hrs x 45.00) =	\$1,080
• 57 episodes of client services at \$60 per =	3,420
Total	\$4,500

Should you have any questions concerning the foregoing, please contact me at 522-7105.

1663 Mission St. Suite 200, San Francisco, CA 94103

MINUTES

RESCHEDULED MEETING
GOVERNMENT EFFICIENCY AND LABOR COMMITTEE
BOARD OF SUPERVISORS
CITY AND COUNTY OF SAN FRANCISCO

90.31
2
2c/96
includes
TUESDAY, AUGUST 20, 1996 - 1:00 P.M.

VETERANS BUILDING
401 VAN NESS AVE., ROOM 410

PRESENT: SUPERVISORS TOM AMMIANO, MICHAEL YAKI, LESLIE KATZ

ABSENT: SUPERVISOR KATZ FOR ITEMS 1; 11; 16; and 20

CLERK: MARY L. RED

TIME MEETING CONVENED 1:00 P.M.

DOCUMENTS DEPT.

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CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine, and will be acted upon by a single roll call vote. There will be no separate discussion of these items unless a member of the Committee or the public so requests, in which event the matter shall be removed and considered as a separate item.
 - (a) File 27-96-10. [State Grant, CalTrain-SFO Shuttle Service] Resolution authorizing the Airports Commission to seek, accept and expend funds for a CalTrain-SFO Shuttle from the Bay Area Air Quality Management District under AB 434 Funds, Clean Air Act Legislation, for the 1997 service year; waiving indirect costs. (Supervisor Leal)
 - (b) File 27-96-11. [Federal Grant - Airport] Resolution authorizing Airports Commission to file application, and accept and expend grant of \$9,892,664 from Federal Aviation Administration for assistance in improvements at the Airport (Airport Improvement Project No. 96-01). (Airports Commission)
 - (c) File 38-96-13. [Gift Acceptance, Police Department] Resolution authorizing the Chief of Police to accept, on behalf of the San Francisco Police Department, the gift of two TRAK (Technology to Recover Abducted Kids) computer systems from Social Tech, Inc. (Supervisor Alioto)
 - (d) File 38-96-14. [Gift Acceptance, Recreation and Park] Resolution accepting one gift valued at \$7,045.33, for use by the Recreation and Park Department. (Recreation and Park Department)
 - (e) File 38-96-15. [Gift Acceptance, Police Department] Resolution authorizing the San Francisco Police Department to accept the gift of a 15 passenger 1996 van, valued at \$25,000. (Police Commission)
 - (f) File 38-96-16. [Gift Acceptance, Police Department] Resolution authorizing the San Francisco Police Department to accept the gift of a 35 foot pole, support cables, and PG&E labor, valued at more than \$5,000. (Police Commission)

- (g) File 38-96-18. [Gift Acceptance, S.F. Public Library] Resolution authorizing the San Francisco Public Library to accept a donation of computer system software and workstation licenses valued at \$186,956 which has been contributed by Microsoft Corporation through the Friends of the Library. (Public Library)
- (h) File 68-96-5. [Grant, Federal Funds] Resolution authorizing the Mayor retroactively to apply for a grant for lead-based paint hazard reduction program from the U.S. Department of Housing and Urban Development for a total amount not to exceed six million dollars (\$6,000,000) for a program authorized under the Department of Housing and Urban Development, and the Omnibus Consolidated Rescissions and Appropriation Act of 1996, Public Law Number 104-134; and including \$60,000 of indirect costs associated with the acceptance of these grant funds. (Supervisors Shelley, Bierman, Alioto)
- (i) File 89-96-6. [SDI Coverage, Classification 9258] Resolution authorizing enrollment of classification(s) 9258 Assistant Deputy Director, Business and Finance in the State Disability Insurance Program. (Department of Human Resources)
- (j) File 132-96-1. [Federal Grant-Asian American Arts Initiative] Resolution authorizing the San Francisco Art Commission to apply for retroactively, accept, and expend \$86,100 of National Endowment for the Arts Planning & Stabilization Grant funds to support an Asian American Arts Community Development Initiative in defining and developing the appropriate structure for facilitating more efficient resource acquisition and management, more effective audience development and productive collaborations, and better support for arts groups and artists rooted in, or growing out of San Francisco's Asian American population, waiving 2% associated indirect costs. (Supervisors Teng, Alioto)
- (k) File 146-96-12. [State Grant, Oil Spill Prevention] Resolution authorizing the Department of Public Health, Bureau of Environmental Health Management, to apply for, accept and expend retroactively a grant of \$5,000, which includes indirect costs in the amount of \$699, based on twenty-two percent of salaries, from the California Department of Fish & Game, Office of Oil Spill Prevention and Response, for providing input into the San Francisco Bay/San Joaquin Delta Area contingency plan for oil spills; providing for ratification of action previously taken. (Supervisor Alioto)
- (l) File 143-96-3. [Grant, Operation Revitalization - Weed & Seed] Resolution authorizing the Chief of Police of the City and County of San Francisco to retroactively apply for, accept and expend funds in the amount of Four Hundred Fifty Thousand (\$450,000.00), which includes indirect costs of Twenty Thousand Dollars (\$20,000) and audit costs of One-Thousand Five Hundred Dollars (\$1,500), for a project entitled Operation Revitalization - "Weed & Seed". (Police Commission)

ACTION: Items 1a, 1b, 1d, and 1j removed from consent calendar; remainder of consent calendar RECOMMENDED.

SPEAKERS: Peter Nardoza, Airport; Supervisor Ammiano; Ken Bruce, Budget Analyst; Ted Lakey, City Attorney; Liz Lerma.

VOTE 2-0.

- (a) File 27-96-10. Amended to delete reference to accepting and expending the grant funds; and to provide retroactive authorization for the Airports Commission to seek the funds. New title: "Resolution authorizing retroactively, the Airports Commission to seek funds for a CalTrain-SFO Shuttle from the Bay Area Air Quality Management District under AB 434 Funds, Clean Air Act Legislation, for the 1997 service year; waiving indirect costs." RECOMMENDED AS AMENDED.
- (b) File 27-96-11. Amended to place \$7,412,664 on reserve; and replace "file application" with "apply for" in title. New title: "Resolution authorizing Airports Commission to apply for, and accept and expend grant of \$9,892,664 from Federal Aviation Administration for assistance in improvements at the Airport (Airport Improvement Project No. 96-01); placing \$7,412,664 on reserve." To Board "WITHOUT RECOMMENDATION" as amended.
- (d) File 38-96-14. Amended to replace "Committee" with "Board". Same title. RECOMMENDED AS AMENDED.
- (j) File 132-96-1. Amended to delete "retroactively accepting and expending". New title: "Resolution authorizing the San Francisco Art Commission to apply for \$86,100 of National Endowment for the Arts Planning & Stabilization Grant funds to support an Asian American Arts Community Development Initiative in defining and developing the appropriate structure for facilitating more efficient resource acquisition and management, more effective audience development and productive collaborations, and better support for arts groups and artists rooted in, or growing out of San Francisco's Asian American population, waiving 2% associated indirect costs." RECOMMENDED AS AMENDED.

REGULAR CALENDAR

2. File 25-96-11. [Prop J Contract, Prime Vendor Distribution Program] Resolution concurring with the Controller's certification that the procurement and distribution of supplies can be practically performed for the Purchaser's Office on behalf of the Department of Public Health by private contractor for a lower cost than similar work services performed by City and County employees. (Department of Public Health) (Continued from 7/23/96)

SPEAKERS: Richard Cordova, SFGH Administrator; Supervisor Yaki; Dwight Starr, Public Health Dept.; Linda Jofuku, Local 21; Carlos Chavez, Local 21; Ted Lakey, City Attorney; John Madden, Ast. Controller's; Supervisor Katz; Fred Richardson;; Blanche Clyborn, Glide Memorial; Supervisor Ammiano.

ACTION: Hearing held. Recommended to Board "WITHOUT RECOMMENDATION" for meeting of September 3.

3. File 30-96-12. [DPH Designation Agreement] Resolution designating certain facilities as evaluation and treatment facilities; rescinding Resolution Numbers 588-94 and 47-70 setting forth previous designations; and authorizing the Deputy Director for Mental Health Services to enter into agreements with said facilities. (Department of Public Health)
(Continued from 7/23/96)

SPEAKERS: Dr. Harris, Public Health.

ACTION: RECOMMENDED.

4. File 172-96-22. [Agreement, DHS - CA State Dept of Social Services] Resolution authorizing the Executive Director of the Department of Human Services to enter into an agreement with the California State Department of Social Services to perform licensing functions for the State with regard to Foster Family Homes. (Department of Social Services)
(Continued from 7/23/96)

SPEAKERS: Judy Bley, Dept. Human Services.

ACTION: RECOMMENDED.

5. File 27-96-9. [Airport Lease Modification, FAA] Ordinance approving modification of lease number DFTA08-95-L-14707 between Federal Aviation Administration and City and County of San Francisco, acting by and through its Airports Commission. (Also see File 27-96-1). (Airports Commission)

SPEAKERS: Peter Nardoza, Airports Commission.

ACTION: RECOMMENDED.

6. File 93-96-28. [MOU, Building Inspectors, Amendment No. 1] Ordinance adopting and implementing the provisions of Amendment No. 1 to the Memorandum of Understanding between the Building Inspectors Association and the City and County of San Francisco providing that all covered employees be placed unto full retirement contribution status effective two pay periods after approval of this ordinance by the Mayor. (Department of Human Resources)

SPEAKERS: Janet Bosnik, Human Resources Dept.

ACTION: RECOMMENDED.

7. File 104-96-1. [Extending Time for Negotiations, Class 9163] Ordinance extending time pursuant to Charter Sections 11.100 and A8.404 for negotiations with the Transport Workers Union, Local 250-A representing 9136 Transit Operators. (Department of Human Resources)

ACTION: TABLED. See File 104-96-3.

8. File 97-96-20. [Prohibiting Contracting with the City] Ordinance amending the Administrative Code, Chapter 16, Officers and Employees, by adding Section 16.980 thereto to prohibit members of Boards and Commissions from contracting with the City and County. (Mayor, Supervisor Shelley)

SPEAKERS: None.

ACTION: RECOMMENDED.

9. File 97-96-43. [Official Host — South Africa] Ordinance amending Chapter I of the San Francisco Administrative Code, by repealing Section 1.34, which bars the expenditure of City funds to host an official or representative of South Africa. (City Attorney)

SPEAKERS: None.

ACTION: RECOMMENDED.

10. File 186-96-4. [Affinity Credit Card Program] Ordinance authorizing the City Administrator to negotiate directly with the San Francisco Convention and Visitors Bureau, without competitive bidding, for the development and operation of the San Francisco Affinity Credit Card Program and implementation thereunder, including the selection by the San Francisco Convention and Visitors Bureau of private companies providing services in connection therewith. (Supervisor Bierman)

SPEAKERS: Neal Taniguchi, City Administrator's Office; Supervisor Katz; August Longo.

ACTION: RECOMMENDED.

11. File 25-96-1. [Prop J Contract, Janitorial Services] Resolution concurring with the Controller's certification that janitorial services for the Port of San Francisco can be practically performed by a private contractor at lower cost than by City and County employees. (Port of San Francisco)

SPEAKERS: Supervisor Ammiano; Andrew Junius, Attorney at Law.

ACTION: Consideration continued to September 10. (Supervisor Katz absent)

VOTE 2-0.

12. File 25-96-17. [Prop J Contract, Victim Witness Services] Resolution concurring with the Controller's certification that assistance to certain victims of crime and education in community anti-street violence can be practically performed for the District Attorney's Victim Witness Assistance Program by a private contract for a lower cost than similar work services performed by City and County employees, retroactive to July 1, 1996. (District Attorney)

SPEAKERS: Veronica Zakeney, District Attorney; Supervisor Yaki.

ACTION: RECOMMENDED.

13. File 61-96-1. [Award Extension – SFWD Contract WD-2122] Resolution granting extension of time for award for San Francisco Water Department Contract No. WD-2122. (Public Utilities Commission)

SPEAKERS: None.

ACTION: RECOMMENDED.

14. File 172-96-23. [Medical Services Contract] Resolution authorizing the Director of Public Health to execute an agreement, including indemnification, with the regents of the University of California, for the provision of medical services to Medi-Cal beneficiaries by Community Public Health Services clinic physicians. (Department of Public Health)

SPEAKERS: Richard Cordova, S.F.G.H.

ACTION: RECOMMENDED.

15. File 172-96-24. [Agreement, Sheriff/University of California] Resolution authorizing the San Francisco Sheriff's Department to enter into agreement with the University of California, San Francisco, for program evaluator services, which agreement provides for dual indemnification from claims or other damages which may arise as a result of performance under said agreement. (Sheriff)

SPEAKERS: Sgt. Richard Ridgeway, Sheriff's Dept.

ACTION: Hearing held. Amended to allow the Department to enter into the agreement retroactively. New title: "Resolution authorizing retroactively, the San Francisco Sheriff's Department to enter into agreement with the University of California, San Francisco, for program evaluator services, which agreement provides for dual indemnification from claims or other damages which may arise as a result of performance under said agreement." RECOMMENDED AS AMENDED.

16. File 172-96-25. [Agreement, Sheriff/Dr. George Bach-Y-Rita] Resolution authorizing the San Francisco Sheriff's Department to enter into agreement with Dr. George Bach-Y-Rita for psychiatric evaluation services, which agreement provides for dual indemnification from claims or other damages which may arise as a result of performance under said agreement. (Sheriff)

SPEAKERS: None.

ACTION: Consideration continued to September 10 at request of the Department. (Supervisor Katz absent)

VOTE 2-0.

17. File 172-96-26. [Prevailing Wage Requirements] Resolution exempting from the prevailing wage provision of Charter Section 7.204 a contract between the City and the San Francisco Conservation Corps to provide fire hazard reduction activities for the San Francisco Airports Commission. (Airports Commission)

SPEAKERS: None.

ACTION: Hearing held. Amended to correct Charter Section "7.204" to A7.204". New title: "Resolution exempting from the prevailing wage provision of Charter Section A7.204 a contract between the City and the San Francisco Conservation Corps to provide fire hazard reduction activities for the San Francisco Airports Commission." RECOMMENDED AS AMENDED.

18. File 172-96-27. [Agreement, CCSF/Allegiance Healthcare Corporation] Resolution authorizing the Director of Public Health and the Purchaser to execute an agreement between the City and County of San Francisco and Allegiance Healthcare Corporation for the procurement and distribution of supplies at City and County Department of Public Health locations. (Department of Public Health)

SPEAKERS: Richard Cordova, SFGH Administrator; Supervisor Yaki; Dwight Starr, Public Health Dept.; Linda Jofuku, Local 21; Carlos Chavez, Local 21; Ted Lakey, City Attorney; John Madden, Ast. Controller's; Supervisor Katz; Fred Richardson;; Blanche Clyborn, Glide Memorial; Supervisor Ammiano.

ACTION: Recommended to Board "WITHOUT RECOMMENDATION" for meeting of September 3.

19. File 156-96-1. [PIC 1996 Refugee County Plan] Resolution approving the San Francisco 1996 Refugee County Plan and authorizing the Private Industry Council of San Francisco, Inc. to apply for approximately \$1,162,100 and to accept and expend those funds in line with the Refugee County Plan. (Private Industry Council)

SPEAKERS: Steve Arselona, Private Industry Council.

ACTION: Amended to place \$1,162,100 on reserve. New title: "Resolution approving the San Francisco 1996 Refugee County Plan and authorizing the Private Industry Council of San Francisco, Inc. to apply for approximately \$1,162,100 and to accept and expend those funds in line with the Refugee County Plan; placing \$1,162,100 on reserve."
RECOMMENDED AS AMENDED.

20. File 39-96-1. [Grand Jury Report, Information Technology Services] Hearing transmitting copy of report issued by the 1995-96 Civil Grand Jury entitled "Information Technology Services in San Francisco Government". (Civil Grand Jury)
(Mayor; CAO; Human Resources; Controller; Dept. Electricity; Board of Supervisors)

SPEAKERS: None.

ACTION: Consideration continued to September 10. (Supervisor Katz absent).

VOTE 2-0

21. File 39-96-2. [Grand Jury Report, Crime/Toxicology Laboratories] Hearing to consider the 1995-96 Civil Grand Jury report pertaining to serious deficiencies in the Crime Laboratory of the Police Department and the Toxicology Laboratory of the Medical Examiner. (Civil Grand Jury)
(Mayor; Board of Supervisors; CAO; District Attorney; Chief of Police; Medical Examiner)

SPEAKERS: James L. Norris, Dir. Forensic Services, Police Dept.; Boyd Stevenson, Medical Examiner; Linda Jofuku, Local 21.

ACTION: Hearing held. Motion prepared in and reported out of committee entitled, "Directing the Clerk of the Board of Supervisors to submit comments on the recommendations of the 1995-96 Civil Grand Jury to the Presiding Judge of the Superior Court pertaining to the Mayor; Board of Supervisors; City Administrator; District Attorney; Police Department; and Medical Examiner's Office." RECOMMENDED.

22. File 51-96-1.1. Hearing to consider the claim of Daryl Robinson for reimbursement for cost of personal property damaged or stolen in the line of duty." Severed from File 51-96-1.

SPEAKERS: John Madden, Ast. Controller.

ACTION: Hearing held. Resolution prepared in and reported out of committee entitled, "Authorizing reimbursement for cost of personal property of City and County employees damaged/stolen in the line of duty."
RECOMMENDED.

23. File 51-96-2. [Employee Claims, Personal Property Damaged/Stolen] Hearing transmitting claims of employees, various departments, for reimbursement for personal property damaged and/or stolen in the line of duty. (April, May, June, 1996)

SPEAKERS: John Madden, Controller; Supervisor Yaki; Miu Ling Lam; James Salerno; Supervisor Katz.

ACTION: Hearing held. Question divided. Claim for Miu Ling Lam severed and considered separately under File 51-96-2.1. Claim for James Salerno amended from \$500 to \$905.26. Remainder of claims approved as recommended by Controller. Resolution prepared in and reported out of committee entitled, "Authorizing reimbursement for cost of personal property of City and County employees damaged/stolen in the line of duty." RECOMMENDED.

File 51-96-2.1. Hearing held. Consideration continued to the call of the chair. Severed from File 51-96-2. New title: "Hearing to consider the claim of Miu Ling Lam for reimbursement for cost of personal property damaged or stolen in the line of duty."

24. File 148-96-3.1 [Reserved Funds/Public Works] Hearing to consider release of reserved funds in the amount of \$400,000 for contractual services of Kingston Constructors, Inc. for the Mission Street Lighting Project. (Department of Public Works).

SPEAKERS: Tina Olson, Department Public Works.

ACTION: Release of reserved funds in the amount of \$400,000 approved. FILED.

25. File 146-96-6.2. [Reserved Funds/Public Health] Hearing to consider release of reserved funds, Department of Public Health (Federal grant for substance abuse treatment), in the amount totaling \$85,740 (Treatment Services \$81,240, and Sign Language Interpreter \$4,500), for Target Cities Project. (Department of Public Health)

SPEAKERS: Larry Meredith, Public Health Dept.

ACTION: Release of reserved funds in the amount of \$85,740 approved. FILED.

LITIGATION

The Government Efficiency and Labor Committee of the Board of Supervisors may meet in closed session under the provisions of Government Code Section 54956.9(a) to discuss proposed settlements of the lawsuits listed below, these lawsuits involving the City and County of San Francisco. This motion would be made on the basis that discussion in open session of these proposed settlements would prejudice the position of the City in these lawsuits.

26. File 45-95-34.1. [General Motors v. CCSF, Extend 5-Year Time Limit] Resolution authorizing the City Attorney to enter into a stipulation to extend the five-year time limit within which action must be brought to trial in General Motors Corporation v. City and County of San Francisco, Superior Court No. 937-044, in order to allow the City Attorney time to research further defenses that were not asserted by the City of Los Angeles in General Motors Corp. v. City of Los Angeles, 35 Cal.App.4th 1736 (1995). (See also File 45-95-34) (City Attorney)

ACTION: RECOMMENDED.

27. File 45-96-40. [Jenice Cole v. CCSF, et al.] Ordinance authorizing settlement of litigation of Jenice Cole against the City and County of San Francisco by payment of \$12,000. (Municipal Court No. 114-424). (City Attorney)

ACTION: RECOMMENDED.

28. File 45-96-41. [Edward Everett-Ronning v. CCSF, et al.] Ordinance authorizing settlement of litigation of Edward Everett-Ronning against the City and County of San Francisco by payment of \$30,000. (Superior Court No. 965789). (City Attorney)

ACTION: RECOMMENDED.

29. File 45-96-42. [Tracy Bridgewater v. CCSF, et al.] Ordinance authorizing settlement of litigation of Tracy Bridgewater against the City and County of San Francisco by payment of \$18,000. (Superior Court No. 971-635). (City Attorney)

ACTION: RECOMMENDED.

30. File 45-96-43. [Gary Sargent v. CCSF, et al.] Ordinance authorizing settlement of litigation of Gary Sergeant against the City and County of San Francisco by payment of \$20,000. (U.S. District Court No. C94-3551). (City Attorney)

ACTION: RECOMMENDED.

31. File 45-96-44. [Margie Frye v. CCSF, et al.] Ordinance authorizing settlement of litigation of Margie Frye against the City and County of San Francisco by payment of \$75,000. (Superior Court No. 967-971). (City Attorney)

ACTION: RECOMMENDED.

32. File 45-96-45. [Stewart v. CCSF, et al.] Ordinance authorizing settlement of litigation of James Stewart against the City and County of San Francisco by payment of \$178,380.09. (USDC, Northern District of California Case No. C90-3206 CAL). (City Attorney)

ACTION: RECOMMENDED.

33. File 45-96-46. [Silberberg v. CCSF, et al.] Ordinance authorizing settlement of litigation of Silberberg against the City and County of Francisco by payment of \$115,000. (USDC, Northern District of California Case No. C95-2548 FMS). (City Attorney)

ACTION: RECOMMENDED.

34. File 45-96-47. [Everette et al. v. CCSF, et al.] Ordinance authorizing settlement of litigation of Everette against the City and County of San Francisco by payment of \$95,000. (USDC, Northern District of California Case No. C95-0453 SI). (City Attorney)

ACTION: RECOMMENDED.

35. File 45-96-48. [Coming Up, Inc. et al. v. CCSF, et al.] Ordinance authorizing settlement of the cross-claim brought by Richard Hongisto against the City and County of San Francisco for reimbursement of costs of defense in the action Coming Up, Inc. et al. v. City and County of San Francisco, et al. by payment of \$140,000. (U.S. District Court No. C92-3714, Court of Appeals Nos. 95-15689 and 95-15903). (City Attorney)

ACTION: RECOMMENDED.

36. File 48-96-22. [Settlement of Claim, Michael James Kutsko] Resolution approving the settlement of the unlitigated claim of Michael James Kutsko by payment of \$6,500.00. (City Attorney)

ACTION: RECOMMENDED.

37. File 48-96-23. [Settlement of Claim, Carlos Moncaleano] Resolution approving the settlement of the unlitigated claim of Carlos Moncaleano by payment of \$13,500. (City Attorney)

ACTION: RECOMMENDED.

38. File 48-96-24. [Settlement of Claim, Michael D. Koontz] Resolution approving the settlement of the unlitigated claim of Michael D. Koontz by payment of \$16,608.27. (City Attorney)

ACTION: RECOMMENDED.

39. File 45-96-49. [U.S.A. (Davis) v. CCSF] Ordinance authorizing partial settlement of litigation of U.S.A. (Davis) v. City and County of San Francisco, by payment of \$161,731.15. (USDC, Northern District of California, Consolidated Cases Nos. C84-1100 MHP, C84-7089 MHP). (Also see Files 45-95-2 and 45-96-26). (City Attorney)

ACTION: RECOMMENDED.

40. File 45-96-50. [Wage Freeze Litigation, Locals 3 and 718] Ordinance authorizing settlement of the 1993-94 and 1994-95 wage freeze litigation: Operating Engineers, Local 3, et al. v. City and County of San Francisco, and Local 718, et al. v. City and County of San Francisco, by payment of \$74,406. (Superior Court Case No. 953-407 and Superior Court Case No. 962-366 respectively). (City Attorney)

ACTION: Amended to correct error in amount of claim; "\$74,406" should be "\$75,406". New title: "Authorizing settlement of the 1993-94 and 1994-95 wage freeze litigation: Operating Engineers, Local 3, et al. v. City and County of San Francisco, and Local 718, et al. v. City and County of San Francisco, by payment of \$75,406. (Superior Court Case No. 953-407 and Superior Court Case No. 962-366 respectively)"
RECOMMENDED AS AMENDED.

41. File 46-96-10. [CCSF v. Giants of Tampa Bay Limited, et al.] Ordinance authorizing settlement of litigation of City and County of San Francisco against Giants of Tampa Bay Limited, et al. upon the receipt of \$349,251. (Monterey Superior Court No. 94974). (Also see File 252-92-3). (City Attorney)

ACTION: RECOMMENDED.

42. File 48-96-25. [Settlement of Claim, Albert & Carol Tom] Resolution approving the settlement of the unlitigated claim of Albert and Carol Tom by payment of \$13,000. (City Attorney)

ACTION: RECOMMENDED.

43. File 48-96-26. [Settlement of Claim, Brian & Debra Shea] Resolution approving the settlement of the unlitigated claim of Brian and Debra Shea by payment of \$15,500. (City Attorney)

ACTION: RECOMMENDED.

44. File 48-96-27. [Settlement of Claim, Carlos Amezcua] Resolution approving the settlement of the unlitigated claim of Carlos Amezcua by payment of \$9,000. (City Attorney)

ACTION: RECOMMENDED.

45. File 48-96-28. [Francie Moeller et al., v. CCSF] Ordinance authorizing settlement of the unlitigated claim of Francie Moeller v. City and County of San Francisco by payment of \$345,700. (City Attorney)

ACTION: RECOMMENDED.

The Government Efficiency and Labor Committee of the Board of Supervisors may find that it is in the best interests of the City not to disclose any information revealed in its closed session deliberations in the above two items at this time and may move not to disclose any information at this time.

VOTE ON ALL ITEMS EXCEPT THOSE LISTED WAS 3-0.

TIME MEETING ADJOURNED 3:05 P.M.

